

FBIS

DAILY REPORT

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AMBASSADORIAL APPOINTMENTS, REMOVALS ANNOUNCED

OW142357 Beijing XINHUA Domestic Service in Chinese 0828 GMT 14 Dec 84

[Text] Beijing, 14 Dec (XINHUA) -- In accordance with the decision of the Sixth Session of the Sixth NPC Standing Committee, President Li Xiannian of the PRC has appointed and removed a number of ambassadors to foreign countries. Here is the namelist of the appointments and removals:

Wei Dong [7279 2639] is appointed PRC ambassador extraordinary and plenipotentiary to the Kingdom of Morocco. Qin Jialin is removed as PRC ambassador extraordinary and plenipotentiary to the Kingdom of Morocco.

Zhao Zhenku [6392 2182 7608] is appointed PRC ambassador extraordinary and plenipotentiary to the People's Republic of Angola.

Wei Yongqing [5898 3057 3237] is appointed PRC ambassador extraordinary and plenipotentiary to the Republic of Kenya. Yang Keming is removed as PRC ambassador extraordinary and plenipotentiary to the Republic of Kenya.

Liu Fangpu [0491 5364 0944] is appointed PRC ambassador extraordinary and plenipotentiary to the Republic of Equatorial Guinea. Lin Song is removed as PRC ambassador extraordinary plenipotentiary to the Republic of Equatorial Guinea.

Yu Huimin [4416 1920 3046] is appointed PRC ambassador extraordinary and plenipotentiary to the Republic of Guinea. Kang Xiao is removed as PRC ambassador extraordinary and plenipotentiary to the Republic of Guinea.

Xing Zhongxiu [6717 1813 0208] is appointed PRC ambassador extraordinary and plenipotentiary to Ireland. Gong Pusheng, female, is removed as PRC ambassador extraordinary and plenipotentiary to Ireland.

Li Xie [2621 7327] is appointed PRC ambassador extraordinary and plenipotentiary to Barbados and concurrently ambassador extraordinary and plenipotentiary to Antigua and barbuda. Wang Tao is removed as PRC ambassador extraordinary and plenipotentiary to Barbados and concurrently ambassador extraordinary and plenipotentiary to Antigua and Barbuda.

Chen Songlu [7115 1529 4389] is appointed PRC ambassador extraordinary and plenipotentiary to the Republic of the Philippines. Mo Yanzhong is removed as PRC ambassador extraordinary and plenipotentiary to the Republic of the Philippines.

Zhang Junhua [1728 0193 5478] is appointed PRC ambassador extraordinary and plenipotentiary to the Republic of Iraq. Hou Yefeng is removed as PRC ambassador extraordinary and plenipotentiary to the Republic of Iraq.

Zhang Junhua is removed as PRC ambassador extraordinary and plenipotentiary to the Republic of Zambia.

Yang Mai [2799 6701] is appointed PRC ambassador extraordinary and plenipotentiary to the Republic of Peru.

Ni Zhengjian [0242 2398 1696] is appointed PRC ambassador extraordinary and plenipotentiary to the Cooperative Republic of Guyana. Yang Mai is removed as PRC ambassador extraordinary and plenipotentiary to the Cooperative Republic of Guyana.

Ma Shusheng [7456 0650 3932] is appointed PRC ambassador extraordinary and plenipotentiary to the GDR. Li Qiangfen is removed as PRC ambassador extraordinary and plenipotentiary to the GDR.

Li Lianqing [2621 6647 1987] is appointed PRC ambassador extraordinary and plenipotentiary to the Republic of India. Shen Jian is removed as PRC ambassador extraordinary and plenipotentiary to the Republic of India.

Tian Yimin [3944 6654 3046] is appointed PRC ambassador extraordinary and plenipotentiary to the Gabonese Republic. Liu Yufeng is removed as PRC ambassador extraordinary and plenipotentiary to the Gabonese Republic and concurrently ambassador extraordinary and plenipotentiary to the Democratic Republic of Sao Tome and Principe.

Wu Jiagan [0702 1367 3227] is appointed PRC ambassador extraordinary and plenipotentiary to the Kingdom of Sweden. Wang Ze is removed as PRC ambassador extraordinary and plenipotentiary to the Kingdom of Sweden.

Zhou Shanyan [0719 0810 1693] is appointed PRC ambassador extraordinary and plenipotentiary to the Democratic Socialist Republic of Sri Lanka and concurrently ambassador extraordinary and plenipotentiary to the Republic of Maldives. Gao E is removed as PRC ambassador extraordinary and plenipotentiary to the Democratic Socialist Republic of Sri Lanka and concurrently ambassador extraordinary and plenipotentiary to the Republic of Maldives.

Liu Hua [0491 5478] is appointed PRC ambassador extraordinary and plenipotentiary to the Democratic Republic of the Sudan. Song Hanyi is removed as PRC ambassador extraordinary and plenipotentiary to the Democratic Republic of the Sudan.

Shi Nailiang [2457 0035 5328] is appointed PRC ambassador extraordinary and plenipotentiary to the United Republic of Cameroon. Miao Jiurui is removed as PRC ambassador extraordinary and plenipotentiary to the United Republic of Cameroon.

Cao Yuanxin [2580 0337 2946] is appointed PRC ambassador extraordinary and plenipotentiary to Spain. Zhang Shijie is removed as PRC ambassador extraordinary and plenipotentiary to Spain.

Wen Yezhen [3306 2814 3277] is appointed PRC ambassador extraordinary and plenipotentiary to the Arab Republic of Egypt. Ding Guoyu is removed as PRC ambassador extraordinary and plenipotentiary to the Arab Republic of Egypt.

Wei Yongqing is removed as PRC ambassador extraordinary and plenipotentiary to the Republic of Venezuela.

HUAN XIANG ON ASIA-PACIFIC ECONOMIC DEVELOPMENT

HK130933 Beijing RENMIN RIBAO in Chinese 12 Dec 84 p 7

[Report: "Symposium on Prospects of Development in the Pacific Region and China's Four Modernizations Held in Shanghai"]

[Text] Between 4 and 7 December, an academic symposium on "The Prospects of Development in the Pacific Region and China's Four Modernizations" was held in Shanghai. The symposium was jointly sponsored by the Shanghai Institute of International Affairs, the Institute of World Economy of the Shanghai Academy of Social Sciences, the Institute of World Economy of Fudan University, SHIJIE JINGJI DAOBAO, the Shanghai Society of Research in International Relations, and the Society of Research in World Economy. Nearly 100 theoreticians and responsible people in functional departments from Beijing, Shanghai, and other major coastal cities attended the meeting. Comrade Huan Xiang, director-general of the International Affairs Research Center of the State Council, attended the meeting and made a speech.

Huan Xiang said: Asia-Pacific affairs have drawn more and more attention from observers in China and other countries. This is because the Pacific region has become more and more dynamic since the late 1970's and especially since the 1980's. Economically, the Pacific region has become one of the most rapidly developing regions in the world. Rapid economic growth can be found in many countries and areas in this region, from such highly developed countries as the United States and Japan to emerging ASEAN countries and socialist China. At the same time, the Asia-Pacific region is also a major arena where the two superpowers contend most intensively. Since the end of World War II, spheres of influence of the superpowers have been carved out only in Europe according to the Yalta arrangements, which did not touch upon Asia. So the United States could reign over the Pacific in the postwar period. However, it adopted a 10-year-long withdrawal policy after its failure in Vietnam. This gave the Soviet Union an opportunity to enter the southern part of the west Pacific region for the first time. Since Reagan came into office, the United States has resolved to return to Asia. This has given rise to a face-to-face confrontation between the two superpowers in the Asia-Pacific region. Comrade Huan Xiang pointed out that the marked characteristics of the present situation in the Asia-Pacific region are that the contention between the two superpowers over this region has entered a new stage, and that economic development in various countries in this region has also entered a new stage.

Comrade Huan Xiang said: China is a big country in the Asia-Pacific region, and should pay close attention to the new and developing economic situation in this region. Since the dialogue between the five ASEAN foreign ministers and seven counterparts from Western countries last July, economic cooperation in the Pacific region has taken a major step forward. Our country should seriously consider the issue of strengthening economic cooperation with countries in the Pacific region and consider what role China can play in this regard, with a view to promoting South-South cooperation and the North-South dialogue.

Comrades attending the symposium extensively discussed the present state of and future prospects for economic development in the Pacific region.

They generally agreed that the economic growth rate in this region has exceeded those of Europe and other regions; the United States and Japan are continuing to take the lead in the world in developing high and new industrial technology; the hub of the U.S. domestic economy is shifting to the west and south of the country; and China's economy is shifting to the west and south of the country; and China's economy will take off in the 1980's. All this shows that the Pacific region will become more and more important.

In the discussions, many comrades pointed out that the emergency of the Pacific region presents us an opportunity as well as a challenge. It is expected that with the development of Asian-Pacific countries and the regional economy, our country will encounter more intensive competition in international markets. However, a booming Pacific region and a regional economy full of vigor will provide a fine international environment for our country's economic development and modernization drive. As a big socialist country in the Pacific region, China should assume a more positive and dynamic posture to greet this new situation.

Some comrades also pointed out in their speeches that because of the disturbance from the "leftist" line, our country has lost 20 years in economic development, and we must never let slip the present golden opportunity.

XINHUA NOTES EAST, WEST EUROPEAN DIPLOMACY

OW150438 Beijing XINHUA in English 0248 GMT 15 Dec 84

["Roundup: East, West Europe Close Ties (by Zhou Dongyao)" -- XINHUA headline]

[Text] Budapest, December 14 (XINHUA) -- Finnish Prime Minister Kalevi Sorsa has just ended a two-day visit to Hungary and he is the fifth Western government leader Budapest has hosted in 1984.

The other four government leaders from Western Europe were: British Prime Minister Margaret Thatcher, whose visit in February not only marked the first official visit to Hungary by a top British Government leader but also her first trip to a Warsaw Pact member state; Italian Prime Minister Bettino Craxi, whose visit to Budapest in April also marked the first visit to Hungary by an Italian prime minister since Italy was unified 110 years ago; Federal German Chancellor Helmut Kohl, whose visit in June was also his first official tour to East Europe; Belgian Prime Minister Wilfried Martens, whose visit in November was also the first by a Belgian prime minister since the end of World War II.

Meanwhile, government leaders from Sweden, Greece, Italy and Canada visited Democratic Germany, Canadian prime minister toured Prague, Romanian President Nicolae Ceausescu visited Federal Germany, Democratic German Leader Erich Honecker visited Finland, and Hungarian leader Janos Kadar visited France.

The increasing exchanges of visits by leaders between East and West European countries mark a new development in international politics at a time when Soviet-U.S. relations remain rigid with the arrival of U.S. missiles in Western Europe and the counteract by the Soviet Union. Worried by the potential nuclear conflicts between the superpowers, the Europeans are eager to play a more active role in easing up international tension, and to have more say in some important international issues.

Romanian leader Ceausescu stressed while visiting Federal Germany that people of Europe should share the responsibility in safeguarding world peace and not merely wait for the bargain of the big powers. Mrs Thatcher also noted in Hungary that "to seek stability, security and peace has linked us together."

President Mitterrand said when welcoming Janos Kadar: "We are not 'object', but 'subject' and actors on the arena of world politics. Our countries should play our own roles."

The European people have suffered two world wars in this century and share a strong desire to maintain peace and security while recognizing the difference in social systems. The increasing contacts are signs that more and more countries have realized the feasibility and necessity of peaceful coexistence. "One Europe, two systems" should be the best option in safeguarding peace and stability in this region in the present world.

Just as Hungarian leader Kadar said in France that it is both necessary and important "to maintain wide contacts between countries of different social systems."

Mrs Thatcher while visiting Hungary also pointed out that cooperation between Britain and Hungary is not only possible but also necessary.

Through these visits and negotiations, East and West European countries have obtained a better understanding of each other and their cooperation in economy and technology has expanded.

It is the common view of both Eastern and Western Europe that existing differences should not prevent them from developing closer relations.

The process to seek cooperation by the East and West European nations will not be smooth sailing. But the new development which conforms to the common aspiration and interests of the people of both sides is irresistible.

ANTARCTIC EXPEDITION SAILS THROUGH ROUGH SEAS

OW142216 Beijing XINHUA in English 1636 GMT 14 Dec 84

[By Qiu Weimin and Zhu Youdi]

[Text] S.S. Xiangyanghong 10, December 14 (XINHUA) -- The Chinese scientific expedition team to the Antarctic sailed through the belt of Westerlies today (Beijing time), safe and sound. The expedition team entered on December 13 (Beijing time) the belt of Westerlies covering the maritime space between 40 and 55 degrees south latitude. Intense, blustering cold westerly winds, known as the "roaring forties" or the "brave west winds" that occur at 40 degrees south latitude, sweep unimpeded across the belt in the South Pacific all the year round. Huge waves, as high as gate towers, seemed to be swallowing up the two vessels of the team, Xianghong 10 and J121 rescue ship, at one time and sent them high up at another. Sleeping sailors were thrown out of their beds and the tableware was scattered all over the dining hall. Walking on the vessels was like going up and down a steep hill.

The Chinese expedition team set sail from Shanghai to the Pacific on November 20, crossed the equator on December 1 in the sea area east of the Republic of Nauru at 9:12 a.m. (local time) on December 1, and then sailed past the International Dateline. It expects to reach Ushuaia of Argentina -- the southernmost city on the globe -- on December 19.

U.S. DEFICIT CUTS, ARMS BUILDUP ANALYZED

OW171644 Beijing XINHUA in English 1622 GMT 17 Dec 84

["News Analysis: U.S. Budget Deficit Cuts and Arms Buildup (by Sun Jian)" -- XINHUA headline]

[Text] Washington, December 16 (XINHUA) -- Proposals to reduce the record 200 billion dollar U.S. budget deficit have drawn nationwide attention, especially on the reduction of military spending.

President Ronald Reagan said last week he is sticking with his goal of cutting budget deficits from a projected 200 billion dollars in the fiscal year ending September 30, 1985, to 170 billion dollars in fiscal year 1986, 138 billion dollars in 1987 and 99 billion dollars in 1988.

With a view to achieving the goal, Reagan and his advisers have set an overall target of budget cuts. The first installment requires a reduction of 42 billion dollars in the 1986 budget to be presented to Congress next month, then 85 billion dollars in 1987 and 110 billion dollars in 1988.

Reagan has tentatively decided on 33.6 billion dollars in non-military cuts for fiscal 1986. His senior advisers have voiced their demand for a reduction of about 8 billion dollars in military spending for fiscal 1986 to make up the difference.

White House Budget Director David A. Stockman has outlined a three-year plan for military spending cuts of 8 billion dollars in the 1986 fiscal year, 20 billion dollars in 1987 and 30 billion dollars in 1988, a total of 58 billion dollars in three years. Treasury Secretary Donald T. Regan, a member of the special group advising the U.S. President on the 1986 budget, demanded on December 12 that the U.S. military buildup "pause for a year."

However, Defense Secretary Caspar Weinberger this week presented Reagan with a cut of only about 6 billion dollars for 1986, 7 billion dollars for 1987 and 6 billion dollars for 1988, totalling only 19 billion dollars for the next three years. Weinberger told White House officials Thursday that he wanted a military budget next year of 316.8 billion dollars, compared with the 284.5 billion dollars he has this year.

It was generally believed here that Reagan has been confronted with a dilemma between surging domestic economic and political pressures to trim deficits and his intention to keep the U.S. strong by continuing the costly military buildup.

Republican senators and local officials who visited the White House Friday advised that the Pentagon must take a "fair share" of cuts if the budget is to win public acceptance.

According to a WASHINGTON POST report today, President Reagan intends to announce next week that he has accepted Weinberger's proposal. On the other hand, Congress would be considering Reagan's proposals at about the time that "Moscow and Washington may be resuming arms control negotiations, and the President could make a strong argument against reducing defense spending at such a crucial juncture," the paper said. However, asked about the budget spending cuts, Reagan said Friday that "we are still in the basis of negotiation -- of studying the whole budget package of what we're going to present to Congress."

BO YIBO MEETS U.S. BANK GOVERNOR 16 DEC

OW172336 Beijing Domestic Service in Mandarin 0400 GMT 16 Dec 84

[Text] Bo Yibo, vice chairman of the Advisory Commission of the CPC Central Committee, met with Mr (Huang Zhongyuan), governor of the U.S. Far East National Bank, on the morning of 16 December and had a cordial and friendly conversation with him at the Great Hall of the People.

XIAMEN, WANG CO. FORM FIRST JOINT COMPUTER FIRM

OW171812 Fuzhou FUJIAN RIBAO in Chinese 29 Nov 84 p 1

[Text] The Xiamen Special Economic Zone Construction Development Company and U.S. Wang Computer Company yesterday signed an agreement at Lujiang Guesthouse to form the Xiamen Wang An Computer Company. With joint capital of \$5 million the Xiamen Wang An Computer Company is China's first joint-venture computer enterprise. This company will use Wang's most advanced technology to produce Wang personal computers and at the same time will produce certain quantities of auxiliary equipment for Wang computers in accordance with market demands, assemble and distribute other types of computers, and assist official organs and large and medium-sized enterprises in handling their businesses. Its other services include providing technical services, marketing, distribution of products, development of software, and so forth. Its products will be sold on domestic and international markets.

Huang Qingquan, vice president of the Xiamen Special Economic Zone Construction Development Company; and Liang Guoyu, managing director of Wang Computer Company, China Ltd., signed the agreement on behalf of their companies. Zhou Erjun, mayor of Xiamen; Hang Beihao, vice president of the Fujian Provincial Electronic Industry Co., and Ju Chengduan, vice president of Wang Computer Co., and other responsible persons attended the signing ceremony. Vice President Ju Chengduan of Wang Computer Co. and his party of six were invited to attend the opening ceremony of the international new technology exhibition in Xiamen. During their stay in Xiamen, they were received by Xiang Nan, first secretary of the Fujian Provincial CPC Committee.

LOS ANGELES DODGERS TRAIN CHINESE PLAYERS

OW141231 Beijing XINHUA in English 1155 GMT 14 Dec 84

[Text] Beijing, December 14 (XINHUA correspondent Zhang Xiaodong) -- The sound of baseballs popping into leather gloves, the crack of bats hitting balls, in the United States, Japan and much of Latin America has long been part of the sounds of summer. In China these sounds are being heard with increasing regularity as more and more cities add baseball to their active lists of team sports. Table tennis, badminton, volleyball, soccer, basketball -- these sports enjoy mass popularity throughout China. By comparison, baseball is played here on a tiny scale. Two Americans, Kelvin Kennedy and Tim Johnson, coaches in the Los Angeles Dodgers' organization, held an eight-day instructional camp in Kunming earlier this month for players and coaches. Johnson said the Chinese players were about on the level of college players in the U.S., "which is quite good for amateurs; better than we expected."

Johnson noted that most players he observed here had started in the sport at about 16 years of age, "when those of the same age in the U.S. have already played for 10 years and are quite skilled. They learn very quickly and work hard, but they won't have many years to achieve more," Johnson said. "China should train more children to play baseball."

Baseball is said to have first been played in China in 1919, introduced by Americans living in Shanghai. The first national Chinese baseball tournament took place in 1959, as part of New China's first national games. But the sport was dropped from the games in 1965 because baseball, then as now, wasn't an Olympic sport.

Despite its lack of status, baseball continued to be played in China, and in 1974 a national invitational tournament was played in Xian, with 10 teams participating. Reinstated for the third and fourth national games, in '75 and '79, baseball was again dropped in '83. But for the sixth games, to be played in 1987 in Guangzhou, baseball will rise again.

The Chinese baseball season has three parts. League games, with about 8 provincial teams around the country involved, are played around April or May. Sometime after May, a championship round is played. League games resume around September or October. The timing of the season and the number of games played varies from year to year. After spring training, before the season gets underway, regional and national tournaments are also held. When an international event comes up, outstanding players will be formed into a national team. Since 1981, Chinese national teams have played against teams from the U.S., Japan, France, Spain, Italy and the Philippines, at home and away. China is sending a baseball team to Perth, Australia, next January to compete in the Asian baseball championships.

As Tim Johnson, said, China needs to introduce baseball to people at a younger age if it is to become competitive internationally. Eleven Chinese cities have held try-outs for teenagers' each year since 1978 to play on municipal teams in the annual national youth-team championships. Eight cities have eight teams made up of children under the age of 13. In August this year, the eight cities sent teams to the National Children's Baseball Invitational Tournament, in Beijing.

The Beijing municipal children's team took part last July in a three-way tournament in Tokyo, involving Beijing, New York and Tokyo. The three cities plan to meet again next summer in New York. China has said it will send a team to Japan next July to play in the Third World Children's Baseball Championships, which 21 countries are invited to attend.

In August 1981, China joined the International Baseball Federation, grouping 56 countries. In October this year, China joined the Asian Baseball Federation, with its eight members. Even with all this activity, baseball isn't sweeping like wildfire across China. The biggest problem is a severe shortage of qualified coaches, followed close behind by two few adequate playing facilities. The increase in international contact will help players and coaches develop their skills, and foreign investors have discussed possible involvement in building baseball stadiums. As Chinese baseball teams yet get more public exposure, more young people will get involved. Baseball might be an official Olympic sport by 1992. By then, who knows?

CHEN JIANFEI DISCUSSES SINO-SOVIET FRIENDSHIP

SK180345 Harbin HEILONGJIANG RIBAO in Chinese 24 Nov 84 p 3

[Article by Chen Jianfei: "Friendship Between the Chinese and Soviet Peoples Always Exists" -- On a Visit to the Soviet Far East Regions]

[Text] The date 7 November 1984 marked the 67 anniversary of the Great October Socialist Revolution led by Lenin. The Soviet-China Friendship Branch Associations of the Soviet Union's Maritime, Khabarovsk, and Amur regions invited a delegation of the Heilongjiang Provincial Sino-Soviet Friendship Association to participate in the celebrations for the October Revolution. As the leader of the delegation, I had the opportunity to visit Khabarovsk, Vladivostok, Nakhodka and Ussurijsk Cities. We toured the cities, visited plants, schools, hospitals, harbors, museums, and scenic spots, and participated in the celebrations for the 67th anniversary of the October Revolution held in Vladivostok.

The Soviet Union's Far East regions border on our Heilongjiang Province. The regions and the province have a long history of contacts, and the Chinese and Soviet peoples have long traditional friendship. I visited Khabarovsk and Vladivostok in 1957 as a member of the Chinese-Soviet joint scientific delegation to inspect the Heilong Jiang basin. I was pleased to revisit these places with which I am familiar.

Although it was cool in the morning and evening, it was still very warm during the day in the Far East regions in November. The clear and crisp autumn climate and the bright sunny days made the people feel delighted. More delightful, however, was the friendly affection of the Soviet people toward the Chinese people. Although there had been a lapse of 23 years in the relations between the regions and the province, our delegation met people with smiling faces who cast friendly eyes on us wherever we went -- in plants, on streets, in reviewing stand or theaters, or among the students.

The Soviet people were happy when they heard that we would visit them. To keep the people of the Maritime Region informed of the visit of the Chinese delegation, the paper RED FLAG of the Maritime Region reported our activities in Vladivostok under the title "Guests of the Maritime Region." When making a live relay of the celebrations for the October Revolution in the Far East regions, Moscow television stations broadcast a shot of us at the reviewing stand.

We arrived in Vladivostok from Khabarovsk on the morning of 6 November. When our delegation laid wreaths at the Lenin Monument, many Soviet people waved in greeting to us. At the meeting with our delegation, Viktor G. Necheyuk, chairman of the Soviet Executive Committee of Vladivostok City, cited the Chinese saying "Neighbors are dearer than distant relatives" to extend welcome to us on behalf of the people of the city. He said that the people there were pleased to know that the Chinese delegation would come to celebrate the October Revolution. He said that the both sides should bear the people's friendship in mind and strengthen the cooperation between them in the economic, cultural, and other fields.

At our meetings with leaders of the Soviet executive committees of various regions, and in discussions with the responsible persons of the Soviet-China Friendship Branch Associations, both sides reviewed the history of the friendship between the peoples of the two countries.

On the evening of 3 November, when we were changing trains at the Ussurijsk station, Liliya [0448 0448 1246], president of the Soviet-China Friendship Association and vice mayor of the city, and other people came to the station to welcome us and send us off. Nizhifuluofu [1441 1015 1715 5012 1133], general secretary of the Khabarovsk Soviet-China Friendship Branch Association, who had once served as secretary of the city's committee of the All-Union Leninist Communist Youth Union [tuan shi wei 0957 1579 1201], visited Harbin in the 1950's, and also received a Heilongjiang provincial youth delegation in Khabarovsk City. He talked with excitement about the visit and the reception during the forums. On the afternoon of 6 November, the Maritime Region held a rally to celebrate the 67th anniversary of the October Revolution at the Gaoerji Theater of Vladivostok City. I spoke at the rally on behalf of the delegation of the Heilongjiang Provincial Sino-Soviet Friendship Association. When I spoke about the traditional friendship between the Chinese and the Soviet peoples, there was warm and prolonged applause. After my speech, a Soviet delegate who was seated on the platform, said, of his own accord, to Wang Yaochen, deputy leader of our delegation, that the speech was a good one and the Soviet and Chinese peoples should always be friendly.

In 1957, Kealushanuofu [0344 7627 3097 6179 1133], correspondence academician of the USSR Academy of Sciences, responsible person of the Far East Scientific Center, and a noted historian, participated in an investigation of the Heilong Jiang valley jointly sponsored by China and the Soviet Union. While having an informal discussion with us, he reviewed the work during this period. He was very happy when he was informed that I also participated in this investigation work. He said to Xu Jingxue, a member of the delegation and associate researcher of the Heilongjiang Provincial Academy of Social Sciences: The Chinese and Soviet scholars should strengthen cooperation, exchange visits, and conduct academic exchanges. The deputy director of the Soviet-Chinese People's Friendship Association in the Khabarovsk Region and president of the Khabarovsk Teachers' University said to Sun Mengbiao, associate professor of the Heilongjiang University: Chinese students are welcome to study in universities in the Khabarovsk Region. He also expressed his hope that both sides will exchange teachers to give lectures. The deputy director of the Soviet-Chinese People's Friendship Association in Vladivostok, who had never visited China before, said to us, in Chinese, the moment we met: I am very happy, and welcome the Chinese delegation. Luomunuovusiji [3157 1191 6179 1133 2448 1015], vice chairman of the Soviet Executive Committee in the Maritime Region, had visited Heilongjiang Province during the "1 October" period this year. Before we went to the Maritime Region, he was on vacation. When he was informed of our visit, he gave up his vacation to accompany us during our stay. He said that when he was young, his neighbors were Chinese people. The Chinese people's diligent and simple character still remains fresh in his memory. He repeatedly expressed that both sides should serve as bolts for building the Chinese-Soviet People's Friendship Mansion.

All ordinary Soviet workers, both old and young, cherish sincere and friendly feelings regarding the Chinese people. While visiting a hospital in the Khabarovsk Region, I met a 62-year-old worker in a ward. The moment he saw us, he was very excited and said: I have never been to Harbin and Dalian. I hope that the friendship between the Soviet and Chinese people will continue. I shook his hand firmly, and wished him a speedy recovery. With tears in his eyes, he repeatedly expressed his thanks to us. We posed for a group photo to mark the occasion. On 7 November, we watched a military review and a mass parade on the Vladivostok reviewing stand. A veteran fighter with many medals on his chest, who was more than 70 years old, was seated in the front row of the stand. He voluntarily talked to us. He said that during World War II, he had taken part in the resistance against the German fascists on the western front.

I said that I also jointed the Eighth Route Army in those years. We clapped hands and extended greetings to each other. This veteran fighter, who had been tested in many battles, expressed his good wishes to the Chinese people. The young generation of the Soviet Union also warmly hopes that friendship between the Soviet and Chinese peoples will be developed.

The young drivers serving the delegation worked very hard, conscientiously, and warmly, almost around the clock. I said to my driver: You have been working hard! He answered: I do not feel tired when driving for the Chinese guests, and since my driving serves the friendship between the Soviet and Chinese peoples, I have all the more reason not to feel tired. He told me that his grandfather was also a driver, and his grandfather urged him to drive well for the Chinese guests. The Soviet and Chinese people should be friends forever. Attendants at the guesthouse repeatedly expressed their hope of developing the friendship between the Soviet and Chinese people.

On various occasions, we delegation members conveyed to the Soviet people the Heilongjiang people's friendly feelings towards the Soviet people, and promised to pass on the profound sentiments of friendship of the Soviet people to the people in Heilongjiang Province. On the day our visit ended, I was interviewed by reporters of the TASS news agency stationed in Vladivostok. Through reporters, I once again thanked the Soviet people and responsible persons of the local friendship association for their warm reception and profound friendship.

What has long remained in my mind after returning home is this: On 7 November, when the celebration parade was held, a girl about 6 or 7 years old, who was sitting on her father's shoulder, waved to us again and again. When the parade passed the rostrum, she still turned her head to look at us. This girl's friendly feelings are an indication that the flower of friendship between the Soviet and Chinese people will certainly blossom more splendidly and colorfully!

SINO-SOVIET TRADE CONTINUES TO INCREASE

OW180401 Beijing XINHUA Domestic Service in Chinese 1221 GMT 18 Dec 84

[By reporter Zhang Mengyi]

[Text] Beijing, 17 Dec (XINHUA) -- Sino-Soviet trade has been constantly rising in recent years. According to the 1985 Sino-Soviet goods exchange and payment agreement signed in Moscow recently, the volume of trade between the two countries will be 3.6 billion Swiss francs next year, increasing 36 percent over 1984.

This reporter has learned from the Ministry of Foreign Economic Relations and Trade that several points characterize the brisk Sino-Soviet trade activities.

The volume of trade has grown markedly. Over the past 30 years and more, Sino-Soviet trade has paralleled the ups and downs in Sino-Soviet relations. In the 1950's two-way trade was on the upswing each year; in the 1960's it dropped or stagnated. But it has revived and increased since the early 1980's. From 1983 to 1985 Sino-Soviet trade increased at a steady annual rate of 1 billion Swiss francs.

Trade between these two countries complements each other, so that varieties of goods have also increased. China exports mineral, food, and light and textile products to the Soviet Union, while importing industrial products and equipment to meet the needs of China's four modernizations.

In recent years, the varieties of commodities exchanged between the two countries have continuously increased. In addition to such traditional exports as mineral products, frozen meats, canned meat, silks and satins, tea, light industrial products, textiles, and livestock products, China is also exporting to the Soviet Union soybeans, cotton, cotton cloth, and shelled peanuts. China has added pig iron, chemical fertilizer and plate glass to other commodities imported from the Soviet Union. The volumes of major exchange commodities have also increased markedly.

Following the development of trade and scientific and technological cooperation, personal contacts between the two sides are also increasing. Since 1983 visits of trade and scientific and technological groups in metallurgy, coal, motor vehicle, electric power, agriculture, and light and textile industries have been exchanged between the two sides. In March this year the Soviet Union was invited to attend a multi-national apparatus and instruments exhibition in Moscow. Sample introduction and technological exchange meetings have also been sponsored by both sides. These activities have promoted mutual understanding of each other's needs.

Moreover, channels of trade have increased. An agreement was signed in 1982 to revive border trade between China's Heilongjiang Province and Nei Monggol Region and adjacent regions in the Soviet Union. Heilongjiang Province has imported lumber, chemical fertilizers, cars, motorcycles, and refrigerators from the Soviet Union, while the Soviet Far East regions have imported pork, canned meat, thermos bottles, towels, woolen blankets, and fur caps from Heilongjiang Province. The total volume of trade in 1984 between Nei Monggol and Soviet border regions have quadrupled since 1983. Both sides have also agreed that, in addition to the existing trading towns, China will reopen Huoerguosi and Tuergete in Xinjiang Uygur Autonomous Region as delivery points. The total import and export commodities exchanged at delivery points in Xinjiang in 1984 increased 16 percent over the previous year. These new channels of trade are conducive to the border areas' economic development on both sides.

Personages concerned believe that because of their vast territories, geological closeness to each other, complementariness in trade, sharing the world's longest borders, easy transportation conditions, and large markets, Sino-Soviet trade has wide-ranging continuous expansion in economic and trade relations on the basis of equality and mutual benefit is in line with the interests of the people of both countries. The forthcoming visit of Arkhipov, first deputy chairman of the Soviet Council of Ministers, to China will further promote the development of Sino-Soviet Economic and trade relations and scientific and technological cooperation.

LIAOWANG ON SINO-SOVIET TRADE DEVELOPMENT

HK160421 Beijing XINHUA in Hong Kong Service in Chinese 0249 GMT 16 Dec 84

[Text] Beijing, 16 Dec (XINHUA) -- According to a report carried in LIAOWANG to be published on 17 December, trade volume between China and the Soviet Union will reach 3.6 billion Swiss francs in 1985 (about \$1.6 billion), an increase of 35.7 percent over this year.

In an article entitled "The Present Situation and Prospects of Sino-Soviet Trade," the magazine points out: China's open door is applicable only to the West and the Third World, but also to the Soviet Union and socialist countries in Eastern Europe.

The article says: In recent years, both the Chinese and the Soviet sides have done well in executing trade contracts. They have further developed border trade and made full use of the transport capacity of the border trading posts. This is beneficial not only to promoting active commodity and material exchanges along the Sino-Soviet border, but also to enhancing good-neighbor relations and meeting the material needs of the border residents in their daily life.

The article reviews Sino-Soviet trade over the past 30 years or so, saying that with the changes in the state relations, the trade between the two countries has generally undergone three stages.

In the 1950's, Sino-Soviet trade was in the ascendant, and the highest trade volume (1959) reached 1.9 billion rubles. It entered a stage of decline and stagnation in the 1960's and 1970's. In 1969, trade volume dropped to 24 million rubles, the lowest trade volume between the two countries. In the 1970's the yearly trade volume hovered around 300 million rubles. Starting from the early 1980's, Sino-Soviet trade has picked up again. The trade volume in 1983 was 175 percent higher than 1982. Trade volume in 1984 was \$1.2 billion, an increase of 60 percent over 1983.

The article adds: "Sino-Soviet trade is conducted on the basis of equality, mutual benefit and helping supply each other's needs." It stresses: Judging from the trade situation of the two countries over the past few years, the characteristics of helping to supply each other's needs have been conspicuous. Soviet heavy industry has been developing very rapidly, whereas the development of its light industry has been comparatively slow. Therefore, the Soviet Union has gradually increased the import of food and raw materials for producing foodstuffs. The main commodities which China has exported to the Soviet Union in large quantity such as food, light, and textile products and so forth have precisely met the needs of the Soviet Union. To speed up its four modernizations program, China needs to import advanced technology and facilities from foreign countries. Apart from importing them from Western countries, it is appropriate for China to import some industrial products and facilities from the Soviet Union. During the period of China's First 5-year Plan, the Soviet Union provided China with a large number of complete sets of industrial equipment, and the 156 projects played a positive role in laying the industrial foundation of New China. China repaid the expenses of these facilities and equipment with commodities. This also made beneficial contributions to the consumption needs of the Soviet people in their daily life.

In 1985, China will mainly supply the Soviet Union with food and light industrial products, such as pork, soybeans, corn, peanuts, cotton, tea, thermos bottles, various kinds of textile products, and so on. The main commodities which the Soviet Union will export to China include steel products, nonferrous metal, wood, cement, aircraft, automobiles, various kinds of machinery products, and others.

Over the past 2 years, border trade between China and the Soviet Union has been successfully resumed. The experts concerned maintain that China and the Soviet Union, as two big neighboring countries with vast territories and rich natural resources, mutually import and export marketable commodities. It can be expected that the development of Sino-Soviet trade will enjoy wide-ranging prospects.

EVERBRIGHT'S WANG GUANGYING HOSTS RONG YIREN

HK170410 Beijing XINHUA Hong Kong Service in Chinese 0751 GMT 16 Dec 84

[Text] Hong Kong, 16 Dec (XINHUA) -- Wang Guangying, chairman of the Board of Directors of the China Everbright Industrial Corporation, gave a luncheon on 16 December in honor of Rong Yiren, vice chairman of China's NPC and chairman of the Board of Directors of the China International Trust and Investment Corporation. Wang Guangying and Rong Yiren and "old family friends," and they "will exert their utmost to cooperate," Wang Guangying told reporters.

Xu Jiatao, director of the Hong Kong XINHUA branch, attended the luncheon on invitation.

Among the other distinguished guests attending the luncheon were Jiang Wengui, director of Hong Kong-Macao operations of the Bank of China; Zhang Jianhua, general manager of China Resources (Holdings) Company; Jiang Bo, assistant general manager of the China Merchants Steam Navigation Company, Ltd; Li Zisong, publisher of WEN WEI PO; Li Xiawen, publisher of TA KUNG PAO, and others.

The host and guests held cordial talks during the luncheon.

GUILIN MAYOR FETES THAI DEPUTY PRIME MINISTER

OW171658 Beijing XINHUA in English 1648 GMT 17 Dec 84

[Text] Guilin, December 17 (XINHUA) -- Zheng Yi, mayor of Guilin, gave a banquet for visiting Thai Deputy Prime Minister Phichai Rattakun, Mrs Charoye Rattakun and their party here tonight.

Zheng Yi and Phichai Rattakun proposed toasts at the banquet, warmly praising Sino-Thai friendship. The Thai visitors arrived here from Beijing on Sunday afternoon.

They cruised the Lijiang River and visited the magnificent "Ludi (reed flute) limestone cave" today.

XIZANG HOSTS BANQUET FOR NEPALESE DIGNITARIES

HK100507 Lhasa Xizang Regional Service in Mandarin 1130 GMT 8 Dec 84

[Recorded report by station reporter Liu Zibin]

[Excerpts] In September and October this year, the Xizang goodwill delegation of China, the Chinese Buddhist delegation, and the tour's investigation delegation were met with warm hospitality by the government and people of the Kingdom of Nepal during their visits. In view of this, the regional Foreign Affairs Office held a return banquet on the evening of 7 December.

(Hamula Wukeyafu), consul general of the Kingdom of Nepal to Lhasa, and his wife, (Basang Wukeyafu), attended the banquet. Others attending the banquet were Ba Sang, secretary of the regional CPC Committee and president of the Xizang branch of the Chinese People's Association for Friendship With Foreign Countries; Yang Zongxin, deputy head of the regional goodwill delegation visiting Nepal and vice chairman of the regional People's Government; Zheng Ying, vice chairman of the regional CPC Committee; and some members of the three delegations visiting Nepal.

Yang Zongxin, vice chairman of the regional People's Government, spoke at the banquet. He said: The Kingdom of Nepal and Xizang are linked by common mountains and rivers. The two countries, China and Nepal, are friendly neighboring countries. China is now implementing the open-door policy. Our Xizang region must strengthen friendly contacts with the Kingdom of Nepal. This is of significance for developing the economy, trade, and tours in Xizang. (Hamula Wukeyafu), consul general, also spoke at the banquet. He said: The visits of three Xizang delegations of China to the Kingdom of Nepal will strengthen friendship between the Chinese and Nepalese people. It is hoped that we shall cooperate even better in the future.

The banquet was filled with a cordial and friendly atmosphere from start to finish.

TRADE DELEGATION LEAVES FOR BANGLADESH

OW140855 Beijing XINHUA in English 0843 GMT 14 Dec 84

[Text] Beijing, December 14 (XINHUA) -- A Chinese Government trade delegation left here today for Bangladesh to sign a long-term trade agreement and a 1985 trade protocol between the two countries at the invitation of the country's Ministry of Commerce.

The delegation, led by Deputy to the Minister of Foreign Economic Relations and Trade Wang Pinqing, will also pay a friendly visit to Bangladesh.

Among those seeing the delegation off at the airport was Bangladesh Ambassador to China K.M. Kaiser.

BRITISH PRIME MINISTER LEAVES ON PRC VISIT

OW180654 Beijing XINHUA in English 0644 GMT 18 Dec 84

[Text] London, December 17 (XINHUA) -- British Prime Minister Margaret Thatcher, accompanied by Foreign Secretary Geoffrey Howe, set out this afternoon on a visit to China to sign the Sino-British joint declaration on Hong Kong. Before leaving, she told a radio interviewer that "I believe that the agreement will be honored." "We are both committed to it and we are trying to demonstrate the commitment of both China and the United Kingdom to the future of Hong Kong in its present lifestyle by going and having it signed at the prime ministerial level," she added.

PRC Prepares Welcome

OW171654 Beijing XINHUA in English 1638 GMT 17 Dec 84

[Text] Beijing, December 17 (XINHUA) -- British Prime Minister Margaret Thatcher will have a warm, friendly and ceremonious reception during her forthcoming visit to China, according to authorities here today. The prime minister is expected to arrive here Tuesday on an official visit, during which the Sino-British joint declaration on the question of Hong Kong will be signed officially.

It is learned that Chinese Premier Zhao Ziyang and Mrs. Thatcher will sign the document and hold talks. Other Chinese leaders will also meet Mrs. Thatcher separately. They will exchange views on furthering Sino-British friendly relations of cooperation and on international issues of common concern. Upon her arrival, the British prime minister will be greeted at the airport by Wu Xueqian, Chinese state councillor and foreign minister.

Meanwhile, the Hong Kong and Macao Affairs Office under the State Council has also invited 101 people from various circles in Hong Kong to attend the signing ceremony in Beijing.

UK'S HOWE TALKS WITH USSR'S GORBACHEV

OW180650 Beijing XINHUA in English 0634 GMT 18 Dec 84

[Text] London, December 17 (XINHUA) -- East-West relations and arms control were the major topics of today's talks between British Foreign Secretary Geoffrey Howe and Soviet Politburo Member Mikhail Gorbachev, which were described as "friendly, substantive and businesslike" by British sources here this afternoon.

The talks, which were dominated by the space weapons issue, also touched on regional issues, including Afghanistan, Central America and the Middle East, British sources said.

Speaking at a lunch given by the British foreign secretary, Gorbachev stressed that under the present circumstances, it is particularly important to agree on a ban on space weapons. "If it is not done, then it would be unreal to hope to stop the nuclear arms race," he said.

British sources commented that the Soviets seem particularly anxious to include space weapons in the overall nuclear arms talks. Space weapons were also a major subject during Gorbachev's talks with Prime Minister Margaret Thatcher at Chequers yesterday.

The sources said that Gorbachev had reiterated Moscow's demands for the inclusion of British and French nuclear weapons in future arms control talks, but Britain had made it clear that it "would be prepared to consider the matter" only after substantial significant reductions in the nuclear arsenals were negotiated between the two super-powers.

Howe expressed "rather different views" and "points of disagreement" between the two governments. He said, "in spite of the differences between us, we both recognize the fundamental fact that we all live on one planet." "This recognition compels us to get down to the business of living together in the most constructive way possible," he added. However, he said, "we share an urgent and common interest in working together to find ways to reduce our dependence on large nuclear forces, to preserve security but at less risk and at lower cost." He continued this was a "a time of reconciliation" and "a time to look forward, rather than to look back".

Today's talks were joined by Leonid Zamyatin, head of International Information Department of the Soviet Communist Party's Central Committee, and General N.F. Chervov, head of the Directorate of the Soviet General Staff, and Malcolm Rifkind, British minister of state for foreign affairs, and Michael Heseltine, British defence Secretary.

During the first two days of his stay, Gorbachev visited the British engineering contractor, John Brown, and the Imperial Chemical Industry (ICI). Gorbachev's visit could be followed by large Soviet contracts worth up to 1.5 billion pounds sterling, according to estimates.

Gorbachev Visit Arranged

OW161844 Beijing XINHUA Domestic Service in Chinese 0927 GMT 16 Dec 84

["News Analysis: 'A Prelude to the Resumption of Dialogues Between East and West' by XINHUA reporter Yu Chengzhi" -- XINHUA headline]

[Text] London, 15 Dec (XINHUA) -- Mikhail Gorbachev, member of the Politburo and secretary of the CPSU Central Committee Secretariat and chairman of the Foreign Affairs Commission of the Supreme Soviet of the Union, arrived in London today for 1-week visit to Britain at the invitation of the group of British Parliament members of the Interparliamentary Union. Gorbachev is the most senior Soviet official to visit Britain since 1976.

Gorbachev's visit is not a state visit arranged by Buckingham Palace, nor is he a guest officially invited by the British Government. His visit, however, is undoubtedly important judging from his standing in the Soviet leadership and the timing of the visit. The highlights of the visit will be his talks with Prime Minister Margaret Thatcher tomorrow and his meeting with British Foreign Secretary Geoffrey Howe the following day. Such arrangements suggest that this visit is actually of an official nature.

In a break from her usual tough stance toward the Soviet Union since assuming office in 1979, Mrs Thatcher sent out signals for dialogues with the Soviet Union at the Conservative's annual conference last year. She took the first major step toward implementing the "new oriental policy" by traveling to Hungary last February. This was followed by her attendance at former Soviet leader Yuriy Andropov's funeral in Moscow, showing Britain's desire to establish dialogues between the East and the West.

In July, British Foreign Secretary Geoffrey Howe also visited the Soviet Union. However, all these British efforts did not draw the desired response from the Soviet Union, with Geoffrey Howe describing his July visit to Moscow as "disappointingly negative."

But it seems that the Soviet side has finally made a preliminary response to all these efforts made by Britain. In addition to Gorbachev's visit, it has been announced that Soviet Foreign Minister Andrey Gromyko plans to visit Britain next spring. All this indicates that Anglo-Soviet relations have begun to change.

Britain, a close ally of the United States, maintains a special relation as an equal partner with the latter in its global strategy. Some people hold: The improvement of relations between Britain and the Soviet Union will play a definite role in prompting East-West dialogue and U.S.-Soviet negotiations.

Since the Soviet Union broke off the Geneva talks last November following the deployment of the cruise and Pershing II missiles in Western Europe by the United States and the NATO nations, East-West relations have been quite cool. Since October this year, both the United States and the Soviet Union have shown some signs of relaxation on the issue of resuming talks. Particularly following the reelection of President Reagan, the Soviet Union has sent out signals, showing a willingness to resume talks with the United States. It is precisely out of common needs that Soviet Foreign Minister Gromyko and U.S. Secretary of State Shultz are to meet in Geneva on 7 and 8 January next year. The Soviet Union sent out Gorbachev to visit Britain at this time. Its main objective is to probe U.S. intentions through Britain and use Britain as a channel to deliver messages.

Mrs Thatcher has said that she hopes to hold "frank and realistic [zhi shuai di xian shi di 4160 3764 4104 3807 1395 4104]" talks with Gorbachev on how to avoid armed clashes and promote disarmament. Geoffrey Howe also said: "We would take this opportunity to understand the Soviet stand better and also explain our own position." People here believe Gorbachev's true intention for visiting Britain is to bring back messages from the Western allies to Moscow.

Thus, if the forthcoming Gromyko-Shultz meeting is the beginning of the resumption of formal East-West contacts, then Gorbachev's visit to Britain can be seen as the prelude to the resumption of the entire East-West dialogue.

QIAN LIREN MEETS SPANISH COMMUNIST PARTY LEADERS

OW180835 Beijing XINHUA in English 0658 GMT 18 Dec 84

[Text] Madrid, December 17 (XINHUA) -- The head of the International Liaison Department of the Chinese Communist Party, Qian Liren who is here to attend the 30th congress of the Spanish Socialist Workers' Party as China's Communist Party representative, met today with Spanish Communist Party leaders, Chairman Dolores Ibarruri and General Secretary Gerardo Iglesias.

Qian presented a letter from Hu Yaobang to Ibarruri, as well as the best regards of both Hu and Deng Xiaoping.

During his meeting with Iglesias, Qian also conveyed warm greetings from Chinese Communist Party General Secretary Hu Yaobang to the Spanish Communist Party general secretary.

LEI JIEQIONG RETURNS FROM VISIT TO TURKEY

OW160352 Beijing XINHUA Domestic Service in Chinese 1602 GMT 13 Dec 84

[Text] Beijing, 13 Dec (XINHUA) -- Lei Jieqiong, member of the Standing Committee and vice chairman of the NPC Law Committee, returned by plane to Beijing this evening after attending celebrations in Turkey marking the 50th anniversary of Turkish women's winning of political rights as well as paying a friendly visit to the country.

LI XIANNIAN APPOINTS NEW AMBASSADOR TO TURKEY

OW141437 Beijing XINHUA Domestic Service in Chinese 0803 GMT 14 Dec 84

[Text] Beijing, 14 Dec (XINHUA) -- In accordance with the decision of the Seventh Session of the Sixth NPC Standing Committee, President Li Xiannian of the People's Republic of China, appointed Zhan Shiliang [1455 0013 0081] as PRC ambassador extraordinary and plenipotentiary to the Republic of Turkey and removed Zhou Jue from the post.

PRC, PORTUGAL SIGN CULTURAL COOPERATION ACCORD

OW161228 Beijing XINHUA in English 1217 GMT 16 Dec 84

[Text] Beijing, December 16 (XINHUA) -- A 1985-1987 cultural exchange accord between China and Portugal was signed here this afternoon. Ding Gu, director of the Department of Cultural Relations With Foreign Countries of the Cultural Ministry, and Nataniel Costa, director general of the External Cultural Relations, signed the accord on behalf of their respective governments. Liu De, assistant minister of culture, and Antonio Leal da Costa Lobo, Portuguese Ambassador to China, attended the signing ceremony.

Under the accord, both sides will exchange culture, art, education, news and sports as well as visits between youth and women organizations.

The Portuguese cultural delegation, headed by Nataniel Costa, arrived in Beijing on December 9th at the invitation of Ministry of Culture to participate in the first meeting of the joint committee under an cultural, scientific and technological cooperation agreement signed in 1982 between the two governments.

NEW PRC AMBASSADOR TO SWEDEN MEETS KING

OW150304 Beijing XINHUA in English 0241 GMT 15 Dec 84

[Text] Stockholm, December 14 (XINHUA) -- Newly-appointed Chinese Ambassador to Sweden Wu Jiagan today presented his credentials to King Carl XVI Gustaf.

At the ceremony, Gustaf reviewed his visit to China in 1981 and expressed his satisfaction with the development of Swedish-Sino relations over the past few years.

Ambassador Wu conveyed Chinese President Li Xiannian's best regards. Wu, who arrived here December 6, also called on Swedish Foreign Minister Lennart Bodstrom on Wednesday.

SONG PING MEETS CSSR PREMIER STROUGAL IN PRAGUE

OW150716 Beijing XINHUA in English 0652 GMT 15 Dec 84

[Text] Prague, December 14 (XINHUA) -- Czechoslovakia is willing to expand political, economical, scientific, technological and cultural relations with China, said Czechoslovakia Premier Lubomir Strougal when meeting Chinese State Councillor and Minister of the State Planning Commission Song Ping.

The two sides reviewed and expressed satisfaction with the development of Sino-Czechoslovak relations in the past few years. They agreed that further development of these relations will benefit the peoples of the two countries. Both sides also discussed enlargement of the economic, trade and technical cooperation between the two countries, and believed that there are broad prospects for cooperation in these fields.

Svatopluk Potac, Czechoslovak vice-premier and chairman of state planning commission, also attended today's meeting. Song arrived here from Hungary on December 11.

Signs Minutes, Departs for GDR

OW171928 Beijing XINHUA in English 1914 GMT 17 Dec 84

[Text] Prague, December 17 (XINHUA) -- Chinese State Councillor and Minister of the State Planning Commission Song Ping left here today for Democratic Germany at the end of a six-day visit to Czechoslovakia.

During his stay here, Song Ping called on Czechoslovak Premier Lubomir Strougal and Deputy Premier Peter Colotka respectively. He discussed with Svatopluk Potac, Czechoslovak deputy premier and chairman of the State Planning Commission, the proposals for economic and technical cooperation between the two countries. They also explored the possibility of a long-term (1986-1990) cooperation in trade, technical and economic fields.

Song and Potac signed the minutes of their talks this afternoon.

WANG BINGQIAN MEETS POLISH TRADE OFFICIAL

OW151044 Beijing XINHUA in English 1029 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- Wang Bingqian, Chinese state councillor and minister of finance, met Karski Ryszard, president of the Polish Chamber of Foreign Trade here this afternoon.

During a friendly conversation, they expressed their hope of expanding bilateral economic and technical cooperation as well as trade relations.

KANG SHIEN MEETS YUGOSLAV OIL EXECUTIVE

OW131241 Beijing XINHUA in English 1222 GMT 13 Dec 84

[Text] Beijing, December 13 (XINHUA) -- State Councillor Kang Shien met Petar Flekovic, president of the INA Oil Company of Yugoslavia, and his party here this afternoon. Yugoslav Ambassador to China Sava Obradovic was present at the meeting.

ZHAO STRESSES REFORM WHEN MEETING SUDAN'S NUMAYRI

HK141210 Beijing ZHONGGUO XINWEN SHE in Chinese 0800 GMT 14 Dec 84

[Text] Beijing, 14 Dec (ZHONGGUO XINWEN SHE) -- Socialism is not pauperism. This was stated by Premier Zhao Ziyang when he met Ja'far Muhammad Numayri, president of the Sudan, at the Diaoyutai Guesthouse this morning. He also pointed out: Socialism can only be built on the basis of the developed forces of production. Should we fail to follow a policy of developing the forces of production and not build socialism on the basis of the developed forces of production, socialism will be nothing but empty talk.

Premier Zhao also said that 7 years have passed since President Numayri's last visit to China in 1977. These 7 years may be regarded as an important turn in Chinese history. We have scored great achievements in the past 30 years and more since the founding of the PRC, he said, but some policies adopted during this time have not been based on China's actual conditions. We failed to pay attention mainly to the fact that our country lags behind in economy and culture and its commodity economy is not developed, and we failed to recognize what type of policy we had to adopt to promote rapid growth of productive forces. After 1977, we formulated a policy of boosting the enthusiasm of the state, the collective, and the individual; carried out a series of reforms; and particularly instituted the responsibility system in the countryside, which has yielded much better results than expected.

Premier Zhao continued: We are now applying the successful experiences gained in rural reform to our restructuring of the urban economy. The 3d Plenary Session of the 12th CPC Central Committee adopted the decision on reform of the economic structure. This restructuring in the cities is more complicated than rural reform. It will take a longer time, probably 5 years, to accomplish it. Policies we are now following are based on China's present reality, he said. This probably will help us to avoid some detours in the future.

Premier Zhao Ziyang also noted: We have achieved some successes, but our country remains poor and backward. It will take decades to completely change the face of poverty and backwardness.

FORUM ON MUSLIMS IN CHINA HELD IN JORDAN

OW161616 Beijing XINHUA in English 1600 GMT 16 Dec 84

[Text] Amman, December 16 (XINHUA) -- More than 100 people, mostly Islamic scholars and students, attended a forum on the conditions of Chinese Muslims which opened yesterday in Yarmouk University in the northern Jordanian city of Irbid. President of the university Adnen Badran and editor-in-chief of AL LIWAS journal Hassan al-Tall [spelling of name as received] gave accounts separately at the forum of the facts about Chinese Muslims they gathered during their recent visit to China. They recalled how the religion was introduced into China and the role it has played in promoting trade relations between China and the Islamic world.

They told the audience that China pursues a religious policy that protects faith in the Islamic religion and provides the Muslims with completely equal opportunity with all other nationalities in the country. They also introduced the contributions Chinese Muslims have made both in China's revolution years and in the present socialist construction. Touching on Chinese Muslims' relations with the outside world, they praised the Chinese Muslims for supporting the cause of the Arab people and for backing the Palestinian people in their struggle for the restoration of self-determination.

Sponsored by the university's Islamic Culture Center, the forum also saw the presence of the Irbid mayor and head of the city's Bureau of Religion.

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HUANG HUA-LED NPC DELEGATION CONTINUES TOUR

OW141329 Beijing XINHUA in English 1313 GMT 14 Dec 84

[Text] Dar es Salaam, December 14 (XINHUA) -- Huang Hua, vice-chairman of the Standing Committee of the Chinese National People's Congress (N.P.C.) and head of the Chinese N.P.C. delegation now on an eight-day friendly visit to Tanzania, met here this morning with J.N. Pokela, chairman of the Dar es Salaam-based Pan-Africanist Congress of Azania (PAC).

Pokela briefed the Chinese leader the latest developments in South Africa and the struggle waged by the PAC against the South African regime. Huang Hua reiterated the support of the Chinese Government and people for the just struggle of the South African people.

The African National Congress of South Africa (ANC) and PAC are two major national liberation movements in South Africa recognized by the Organization of African Unity.

Chinese Ambassador to Tanzania Ge Gongkai was present on the occasion.

Leaves Tanzania for Zambia

OW160244 Beijing XINHUA in English 0227 GMT 16 Dec 84

[Text] Dar es Salaam, December 16 (XINHUA) -- The Chinese National People's Congress (N.P.C.) delegation led by its Standing Committee Vice-Chairman Huang Hua left here for Zambia in the small hours today.

At a banquet on December 14, Tanzanian Speaker of the National Assembly Sapi Mkwawa said China had a special place among Tanzania's many friends, and he hoped that the long-standing relations between Tanzania and China would be further consolidated.

During its eight-day stay here, the delegation visited some socio-economic establishments and Chinese-aid projects on the country's mainland and in Zanzibar. It also attended the celebration of the 23rd independence anniversary of the mainland.

Arrives in Zambia

OW161610 Beijing XINHUA in English 1458 GMT 16 Dec 84

[Text] Lusaka, December 16 (XINHUA) -- A 12-member delegation of the Chinese National People's Congress (NPC) led by Huang Hua, vice-chairman of the NPC Standing Committee, arrived here this morning for a five-day friendly visit to Zambia.

The Chinese NPC delegation, which had just ended an eight-day visit to Tanzania, was greeted at Lusaka airport by Speaker R. M. Nabulyato and Deputy Speaker L.K.M. Kombe of Zambia's National Assembly and Zhan Daode, charge d'affaires ad interim of the Chinese Embassy here.

In a written statement upon his arrival at the airport, Huang Hua said: "There exists profound and time-honored friendship between our two peoples," adding that "our friendly relations and co-operation in all fields have developed satisfactorily."

"Our current visit will provide us with a good opportunity to learn from the people and the national assembly of Zambia, exchange ideas and experiences and discuss issues of common concern," Huang pointed out.

Lusaka Reception

OW180426 Beijing XINHUA in English 0254 GMT 18 Dec 84

[Text] Lusaka, December 17 (XINHUA) — Zambian National Assembly Speaker R.M. Nabulyato said, "China is a friend in need" at a reception to welcome Huang Hua, vice-chairman of the Standing Committee of the Chinese National People's Congress here this evening.

He said that China had generously assisted Zambia to meet her requirements.

Huang Hua praised the Zambian people for their achievements in safeguarding independence and sovereignty, and developing national economy and culture.

Huang Hua also pointed out that South Africa is the main source of tension and turbulence in that region. He expressed China's resolute support for the Namibian and South African people in their just struggle against apartheid.

Huang Hua and his party arrived here yesterday after visiting Tanzania.

ZIMBABWE'S MUGABE READY TO VISIT CHINA IN 1985

OW180937 Beijing XINHUA in English 0656 GMT 18 Dec 84

[Text] Harare, December 17 (XINHUA) -- Zimbabwean Prime Minister Robert Mugabe said today he is ready to visit China next year to further promote all-round cooperation between Zimbabwe and China.

Receiving visiting Chinese Vice Culture Minister Lu Zhixian here this morning, Mugabe said it is imperative for Zimbabwe and China to expand and deepen their cooperation in all fields in view of the traditional and profound friendship. Cultural exchange is a component of such cooperation, he added.

After the meeting, a 1985-86 implementation program for the cultural agreement between the two countries was signed by Lu and Amos Midzi, Zimbabwean deputy minister of youth, sport and culture.

Lu Zhixian, who heads a Chinese cultural delegation, left here for Madagascar this afternoon after a week-long visit.

SUDAN SUPPORTS KUWAIT STAND ON HIJACKING

OW131801 Beijing XINHUA in English 1442 GMT 13 Dec 84

[Text] Khartoum, December 13 (XINHUA) -- Sudan has condemned all forms of terrorism and supported Kuwait's stand in refusing to acquiesce in the terrorists' demands, the SUDAN NEWS AGENCY reported today.

Ibrahim Mohamed Ali, under-secretary of the Sudanese Foreign Ministry, made the condemnation yesterday when he visited the Kuwaiti Embassy in Khartoum to express Sudan's congratulations on the safety of the passengers and the hijacked plane.

The Kuwaiti ambassador expressed his appreciation of the gesture and thanked the people and the Government of Sudan for their kind feelings.

ENVOY TO MAURITANIA MEETS POSTS MINISTER

OW142112 Beijing XINHUA in English 1615 GMT 14 Dec 84

["Mauritania's New Government Pledges To Continue Its Foreign Commitments" -- XINHUA headline]

[Text] Nouakchott, December 14 (XINHUA) -- The new Government of Mauritania will continue to abide by the commitments to foreign countries, declared a high Mauritanian official. Ahmed Ould Ghanahallah, newly appointed minister of information and posts and communications and former deputy foreign minister, made this statement in his meetings with foreign diplomats here separately yesterday.

While meeting Chinese Ambassador Sun Hao, he affirmed that the friendly relations between Mauritania and China would be further developed.

The ousted President Haydala and his five ministers were reportedly arrested.

The new regime led by Maawovia Ould Sid Ahmed Taya has already controlled the situation after seizing the power Wednesday and the capital of the country continued to be calm today.

IVORY COAST PRESIDENT MEETS PRC ECONOMIC GROUP

OW150656 Beijing XINHUA in English 0650 GMT 15 Dec 84

[Text] Abidjan, December 14 (XINHUA) -- There are broad prospects for cooperation between China and the Ivory Coast, and the latter places great hopes on such cooperation, said President of the Ivory Coast Felix Houphouet-Boigny here today.

He made the remarks when receiving the visiting Chinese Government economic and trade delegation headed by Zheng Tuobin, vice-minister of foreign economic relations and trade.

Zheng Tuobin handed a letter from President Li Xiannian to Houphouet-Boigny who highly praised China's opening to the outside world policy.

Present at the meeting was Chinese Ambassador Zhu Chenghai.

LEADERS WELCOME DOMINICAN REPUBLIC DELEGATION

Xi Zhongxun Hosts Banquet

OW152034 Beijing XINHUA in English 1917 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- China hopes to develop friendship ties with all Latin-American countries on the Five Principles of Peaceful Coexistence, Xi Zhongxun, Political Bureau member of the Chinese Communist Party Central Committee, said here today.

He made the statement at a banquet welcoming a delegation from the Dominican Revolutionary Party led by Chairman Vicente Sanchez Baret.

Xi said that the visit, Sanchez's first, marked a new start in official friendly contacts between the two parties. It would lay a sound foundation for understanding and friendship between the two parties and between China and the Dominican Republic, he added. Sanchez said that the people of the Dominican Republic had fought for their independence and freedom. His country was now practising social democracy in the interests of its people, he added.

He said his party would strengthen exchanges and cooperation with the Chinese Communist Party as well as understanding and friendship between the two peoples.

Zhu Xuefan, vice-chairman of the National People's Congress Standing Committee, met the delegation earlier today.

Meeting With Hu Yaobang

OW171524 Beijing XINHUA in English 1437 GMT 11 Dec 84

[Text] Beijing, December 17 (XINHUA) -- Hu Yaobang, general secretary of the Chinese Communist Party Central Committee, said here today that the Chinese people were very much concerned about the great struggle of the people of the Latin American countries, including those of the Dominican Republic.

He said this in a meeting with a delegation from the Dominican Revolutionary Party, led by Chairman Vicente Sanchez Baret.

Hu described the Dominican people as a "great people," saying that they had waged struggles against imperialism, colonialism and dictatorship for several decades. He said, "We cherish friendly sentiments towards the people of all Latin American countries. We hope they can achieve genuine national independence, and we wish Dominica [as received] economic prosperity."

He also said China welcomed increased economic exchanges with Dominica [as received]. He pointed out that such exchanges would certainly expand after establishment of diplomatic relations. But, he said, Sino-Dominican friendship existed forever irrespective of diplomatic relations.

Sanchez said that they were very glad to have the opportunity to visit China. "Although we have not been to China before, your great country has always impressed us. Our current visit has confirmed our belief in the greatness of your country."

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He also said the visit was a proof of their hope for friendship with China. He conveyed to Hu regards from Pena Gomez, leader of the Dominican Revolutionary Party.

Hu told Sanchez that he welcomed Gomez to visit China at a convenient time. Present at the meeting were Zhu Liang, deputy head of the International Liaison Department of the Chinese Communist Party Central Committee, and Zhu Qizhen, vice-foreign minister.

PRC-CANADA JOINT VENTURE BANK OPENS IN HONG KONG

OW140933 Beijing XINHUA in English 0909 GMT 14 Dec 84

[Text] Beijing, December 14 (XINHUA) -- China Investment and Finance Ltd, a joint venture merchant bank formed by the China International Trust and Investment Corporation (CITIC) and the Royal Bank of Canada, started business in Hong Kong today, a CITIC official told XINHUA here. She said the new bank has an initial share value of 4.1 million U.S. dollars.

Under an agreement signed last September, CITIC acquired 50 percent of the shares of Roveast Investments Ltd, a Hong Kong-based merchant banking subsidiary of the Royal Bank of Canada, as its part of the deal, she added.

Rong Yiren, CITIC chairman, and Rowland C. Frazee, chairman of the Royal Bank of Canada, jointly cut the ribbon at the opening ceremony.

Rong, Frazee at Fete

OW141942 Beijing XINHUA in English 1438 GMT 14 Dec 84

[Text] Hong Kong, December 13 (XINHUA) -- The China International Trust and Investment Corporation (CITIC) will in 1985 issue investment certificates worth 200 million Hong Kong dollars in Hong Kong. It will also issue bonds worth 30 billion yen in Japan, according to corporation chairman Rong Yiren today.

Rong was speaking at a ceremony inaugurating the Hong Kong-based China Investment and Finance Ltd -- the first joint venture between CITIC and the Royal Bank of Canada. Also speaking at the ceremony was Rowland C. Frazee, chairman and chief executive officer of the Canadian Bank. The joint venture, he said, testifies to his bank's confidence in the future of Hong Kong, "a good place for business".

China Investment and Finance Ltd, which has capital of 41 million U.S. dollars, is a full service merchant bank and deposit-taking company. Its services include underwriting Chinese and international capital issues.

YANG SHANGKUN URGES CHANGE IN FORMAT OF MEETINGS

HK180322 Beijing RENMIN RIBAO in Chinese 17 Dec 84 p 1

[Report: "Yang Shangkun Suggests a New Way of Holding Meetings"]

[Text] According to a JIEFANGJUN BAO report, on 11 December, before the conclusion of an important meeting convened by the All-Army Party Rectification Office, Comrade Yang Shangkun said: We have decided to have Comrade Yu Qiuli speak today and so I will not speak. We should also change the method of holding meetings in the future. We should have a person give a lecture and not have everybody speak. This is also a reform!

Comrade Yang Shangkun's remarks won the warm applause of the participants. In its concluding editor's note JIEFANGJUN BAO pointed out: The new way of holding meetings initiated by Comrade Yang Shangkun has hit the nail on the head. All fields of endeavor should be carried out quickly and with high efficiency and therefore it is absolutely necessary to reform long-winded meetings at which people take turns delivering speeches.

UPCOMING NATIONAL WRITERS' CONGRESS ANNOUNCED

OW151441 Beijing XINHUA in English 1215 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- The Chinese Writers' Association is soon to hold a national congress in Beijing. This was announced here today at a press conference by Feng Mu, vice-chairman of the association. Feng Mu said the 7-day congress, fourth of its kind, would be attended by 696 official representatives and 116 specially invited representatives from among the 2,525 members of the association, and they would review the nation's literary achievements since the last congress in 1979. The association had only 1,347 members in 1979 including the 800 veteran writers who had survived the "Cultural Revolution" (1966-76).

During the congress a new leading body will be elected. The current chairman of the association is Ba Jin, a noted Chinese writer.

Feng Mu said the 129-member council would be enlarged to 200 members, with more younger writers admitted. Moreover, the association's Constitution will also be amended. Writers who are too old to attend the congress will be made honorary representatives.

STATE COUNCIL ABOLISHES LIFE FACTORY DIRECTORSHIPS

OW151417 Beijing XINHUA in English 1316 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- Chinese state factory directorship or managership will no longer be a life-long tenure of office, according to a new circular of the State Council.

The document says that one term of at most four years is allowed for a state factory director or manager. But another term or at most another two terms are possible within the prescribed age limit, depending on his or her performance. The new system of fixed term of at most four years is allowed for a state factory director or manager. But another term or at most another two terms are possible within the prescribed age limit, depending on his or her performance. The new system of fixed term of office will come into force on January 1, 1985, as part of the reform of the country's administrative system.

In the past, factory directorship, like any other official position, was a life-long career. A factory director could be transferred from one factor to another, irrespective of his or her performance.

The State Council circular says that a factory director may ask to resign, and the higher authorities have the power to remove a factory director during his or her term of office.

RENMIN RIBAO ON ATTITUDES TO MONEY-MAKING

HK170845 Beijing RENMIN RIBAO in Chinese 10 Dec 84 p 4

[Article by Chen Bowei: "Reading 'Records of the Historian: The Money-Makers'"]

[Text] In recent years, discussions on how to get rich have been frequent; and such expressions as "making the people and the nation rich," and "making the nation and people get rich as quickly as possible" and so on have appeared more and more in daily conversation, and in articles in the press. Just imagine what great social progress it is, if one compares it with the abnormal mentality in the past of regarding poverty as honorable, and being ashamed of, and evading the mention of getting rich. Listening to the talk of getting rich in the 1980's, I cannot help recalling a historical figure -- the great historian Sima Qian.

Sima Qian was not an economist or financier, and his official position had nothing to do with ruling people or management of finance. However, this poor official specializing in history of the common people had a special liking for speaking of getting rich. His article "The Money-Makers" can be called a discussion on getting rich. In the article he not only described the products and natural resources in China, the economic activities of peasants, workers, and businessmen, and the local conditions and customs in many places, but also introduced with great interest a number of politicians who devoted themselves to making the people and the nation grow rich, and some personages who had risen from among the ordinary people and become conspicuous because they had ways of making money and had grown rich. His voluminous discussions and his summation in the article centered on the theme of getting rich. In an article of less than 5,000 characters, the expression "rich" appears 49 times. This great historian focused on the question of "getting rich" in making his points in a way which is still inspiring to readers even to this day.

Sima Qian was the model of a sober-minded, realistic historian. He observed history and society with keen eyes, and discerned the importance of people's economic status and their prosperity, but refrained from paying compliments to the feudal ethical code and righteousness which the ruling class regarded as sacred. He admired Guan for his view that "people attach attention to courtesy when their barns are filled with grain, and they are conscious of honor and shame only when they have enough food and clothing." Having quoted this statement, he elaborated humorously: "Courtesy grows out of abundance and is lost in poverty. Therefore when a virtuous person is rich, he is fond of doing good; and when a mean person is rich, he takes pleasure in showing off his wealth. Fish survive only in deep ponds, animals frequent unexploited mountains, and when people get rich, they think of benevolence and righteousness." It was precisely in this way that Sima Qian brought the moral concept of the ethical code and righteousness of the ruling class down to earth, indicating that the moral concept of an ethical code and righteousness was determined by one's economic status -- prosperity -- which could not be maintained without economic conditions.

Through what channels should one accumulate wealth in order to get rich? Sima Qian held that all kinds of economic activities might lead to prosperity. Unlike the literati and officialdom who looked down upon industry and commerce, he regarded agriculture, industry, commerce and yu [5713] (ancient officials specialized in managing production in mountains and marshland) as equally important, saying that these four economic departments were all "sources of people's food and clothing," which "might make the nation and people rich" when developed.

As described in his article, those who grew rich included peasants who were good at farming or raising draft animals, and merchants who made profits in fishery, salt, and iron-smelting; and he particularly mentioned that even among peddlers of oil and sauces, and those who sharpened knives and swords, some had grown rich because of good management. In his mind, there was nothing bad in the fact that some of the poor people from the lowest social strata had become rich and powerful despite the rigidly stratified feudal society. In addition, he held that prosperity would not always be monopolized by some people, because "if the rich refrain from management in business, their possessions will soon change hands and the able will amass wealth, while the unworthy squander it away." People might attain wealth and grow rich by relying on "hard work," by "competition in intelligence," and by "being good at grasping opportunity in economic activities." In his time, the aforesaid views were positive and enlightened.

What has drawn people's particular attention is that Sima Qian repeatedly expounded such important ideas as: It is just natural and reasonable for the common people to hope for prosperity and to pursue as good a living standard as possible, and those who are in power should not oppose this. According to him, from the noble to the common people, everyone feared poverty; while "the search for wealth is part of human nature, and is yearned for by people without being taught." And that was precisely why the universal social phenomenon existed so that "the world is full of crowds coming and going, all for making a profit."

He cited many facts in "The Money-Makers" to illustrate that there was no need for anyone to issue orders to, or to organize the farmers, the workers and the merchants, who would each spontaneously and willingly bring forth his ability and exert all his efforts, so that "each will promote his profession or trade and enjoy his work," all because they were "pursuing prosperity"; and all those thousands upon thousands of people, "whether young or old," or "traveling thousands of li," rushing about here and there making nothing of hardships, were all in "pursuit of wealth." Such activities as seeking after wealth and making profits were "going on all the time like the water running in the river, going on day and night; and those people would come without being summoned, and go out of their homes without being asked." In his mind, this not only conformed to the "truth," but was a matter of course.

In reference to all such activities of people seeking and pursuing wealth, what attitude should those in power adopt? Concerning this question, there were ideological struggles in ancient times. For instance, Dong Zhongshu, a contemporary of Sima Qian, advocated: "The phenomenon of thousands upon thousands of people going after profits is like water running downstream in a river, and the trend cannot be stopped without educating these people." He looked upon the phenomenon of people going after profits "as something very terrible, which must be stopped by education," such an idea can really be termed "the theory of the omnipotence of education."

Sima Qian's view ran counter to this. According to him the people's pursuit of a prosperous and "happy and enjoyable" life had been so since ancient times, and even if door-to-door preaching was done, it "would not help convince people." Then what was to be done? Sima Qian had the following statement: "There are four ways to deal with the situation; in order of preference they are: leaving things stand as they are, making the best use of the situation, education, and keeping social order. And the worst thing to do is to contend with the people." We can see that he was for the first four ways with some differences between them, and in this use of modern language, it means: Doing what comes naturally, adroitly guiding action according to circumstances, correctly carrying out ideological education, and the application of legal and administrative means to make the people's behavior conform with the established norm.

The thing he least approved of was the last practice -- "contending with the people," namely, being antagonistic to the common people, forbidding them to make profits or become rich.

It was precisely through discussing becoming rich that Sima Qian explicitly expressed his social political ideas and his view on social ethics. Here we can also see the factor of simple materialism contained in his ideology. It was precisely because he broke through the bondage of the orthodox Confucian doctrine in his "Money-Makers," and voiced some ideas which the ordinary intelligentsia and officialdom could not, that he was attacked by some apologists for the orthodox ideas. For instance, Ban Gu criticized Sima Qian in that "in discussing making money, he worships power and regards poverty shameful," and "his view runs counter to the sages." Here we might as well examine how Ban Gu himself expounded on "making money."

In his "History of the Han Dynasty," in the chapter "Money-Maker," Ban Gu clarified the purpose and main theme from the very beginning: During the three ancient dynasties of the Shang, Xia, and Zhou, the people "lived and worked in peace and contentment," "relying on the system drawn up by their ancestral kings"; there was a clear distinction in social strata and in the difference between the high and the lowly, the noble and the humble in social life, "those in an inferior position should not surpass their superiors in any way, neither should the lowly surpass the noble," and "with a well stratified social structure, there was stability among the people." According to him, stability was achieved only when "those in power enlightened the people with ethics, and instructed them in the feudal ethical code so that the people might understand what shame was and show respect to the noble, and hold righteousness in high esteem, while looking down upon the desire for gain."

But what about the situation after the "three dynasties"? According to him, everything turned sour: "The merchants have managed to obtain goods and the craftsmen have been producing useless articles," while a number of the humble have risen in succession to become wealthy through commerce and craftsmanship; and all those people fall into the category of "engaging in the bad practice of violating discipline, going in for luxuries, surpassing their superiors and behaving badly!" Ban Gu made such a fuss against, and hated the development of industry and commerce, it can only prove that he knew nothing about the truth that the growth of industry and commerce is the inevitable outcome of the development of productive forces at a certain period, that it is a progress but not a retrogression of history. Such ideas of Ban Gu in praising the past while negating the present, and exaggerating the role of the feudal ethical code are in sharp contrast with Sima Qian's ideas. Thus, it is not the least strange that he made a vain attempt to criticize and depreciate Sima Qian for his discussion on getting rich in "The Money-Makers."

It has been more than 2,000 years since Sima Qian discussed the topic of getting rich, and of course, his concept of getting rich has nothing much in common with what we have in mind for getting rich in the socialist age. However, do the questions raised by Sima Qian and his views have something worth our pondering today? For example, does the question also exist in our society today of how to correctly understand and handle the desire of the people to get rich? The basic aim of revolution is to emancipate productive forces, and socialist modernizations are to create productive forces at a higher level, to ensure that the people gradually lead a life of prosperity and civilization, and to make the nation and people rich. "Even the green mountains fail to stop the river from running eastward," -- the people's desire for and pursuit of prosperity which found expression in the developing trend of social economy is irresistible like the current of the river.

The essence of social economic policies since the 3d Plenary Session of the 11th CPC Central Committee is to go along with the tide of historical development, to demolish the "dike" that prevents the development of productive forces, to help the people rid themselves of poverty as soon as possible and become rich as quickly as possible.

Of course, the question of "education" is also a major matter. With the development of the modernizations, social life and ideas will be more and more complicated and varied. This requires us all the more to do a good job in ideological education, in order to enable more and more people to remember where cardinal righteousness lies while pursuing profits and wealth; in other words, to enable them to conscientiously link their personal interests with the interests of the state and the social collective. The mission of ideological education is to inspire the people to support the four modernizations; however, if work in the ideological sphere is led astray, it will also interfere with and impede the realization of the four modernizations. In the period when "leftist" ideas were in fashion, errors of using "education" as a "dike" to put a stop to "the river current" also took place, which should always be remembered as a lesson.

There is still a question worth our attention -- when the great historian Sima Qian was enthusiastically talking about getting rich, it did not mean that he was advocating getting rich without discriminating between good and evil. He pointed out, there were some people in society "who got rich in violation of the law," who he referred to as the "unscrupulous rich." On this point, we naturally come to think of how the legal norm should be applied. In our society today, there is also the difference between good and evil in getting rich. Are not those economic criminals who have fattened their purses through such illegal activities as embezzlement, robbing the state treasury, corruption, smuggling, and evading taxes the "unscrupulous rich"? Our socialist law is placing all proper wealth under its protection; however, it will never allow those elements of the "unscrupulous rich" who have sabotaged reform, and have caused injuries to society to remain scot-free. When we are talking about making the people and the nation prosperous, it is precisely to make our nation advance toward the target of building a modernized socialist power with a high level of civilization and democracy. We are engaging in an unprecedentedly magnificent cause of seeking and creating wealth in the land of China which covers 9.6 million square kms, which is far above any beautiful ideas of making the people rich held by our ancient people.

RENMIN RIBAO ON BAODING 'NEW-STYLE' MARKETS

Success Noted

HK180207 Beijing RENMIN RIBAO in Chinese 16 Dec 84 p 1

[Report: "Brisk New-Style Specialized Markets in Baoding Prefecture's Rural Areas"]

[Text] In recent years, a number of new-style specialized markets serving the production of specialized commodities in the countryside have gradually formed and have been playing a distinct role in invigorating the economy of the city and the countryside in Baoding Prefecture, which is situated in the triangular area of Beijing, Tianjin and Shijiazhuang.

The Baoding rural specialized markets are not only different from the ordinary trading markets of the countryside, but also different from the comprehensive markets of the cities. These specialized markets are only engaged in one kind of commodity, or are engaged in one main commodity and others of the same kind. More than 20 specialized markets in the rural areas are large in scale. Every day the number of people going to the markets amounts to 1,000 or 2,000, to 5,000 or 6,000. These specialized markets have an ample supply of goods and variety of commodities. Their trade is active and prices are low. Each year, the volume of business in commodities amounts to millions or even hundred of millions of yuan. The traders come not only from the counties, the prefectures and all parts of the province but also from urban and rural areas of more than 20 cities, provinces and autonomous regions.

The specialized markets now formed can be divided into five main categories:

1. Raw material supply markets for commodity production in the rural areas. This kind of market mainly serves the processing industry.
2. Sales markets for processed products. The most famous of these is the specialized market for acrylic in Li County.
3. Wholesale markets for small commodities, which are divided into 7 types and deal in more than 2,000 kinds of commodities.
4. Markets for old and waste materials.
5. Collection and distribution markets of traditional materials. Both the historic fur market of Li County and the collection and distribution market for Chinese herbal medicines of Anguo County, which have long and traditions and histories, are now livening up once again.

Commentator's Article

HK180211 Beijing RENMIN RIBAO in Chinese 16 Dec 84 p 1

[Commentator's article: "New Trends of Rural Commodity Economy"]

[Text] Along with the peasants' direct entry into the area of circulation, a number of new-style rural specialized markets have been emerging one after another everywhere in the country. This new trend in the development of the rural commodity economy should be highly valued.

The peasants' courage and insight in breaking old methods and setting up large-scale specialized commodity markets deserves to be honored. In recent years, along with the common practice of the household contract system, the peasants have adopted the method of cooperative and collective management to use their land, thus releasing a great deal of labor force, capital, and time to be switched to industrial production and commodity circulation. The peasants in quite a number of places have some kinds of crafts and skills, and in the past few years they have gradually accumulated experience in management of industry and the commerce, thus gaining the qualification to directly enter the area of circulation. That all kinds of specialized markets have sprung up is the inevitable trend of the development of the productive forces and the change of the production structure in the countryside. When the rural specialized markets first began to emerge in Baoding Prefecture, some people could not bear the sight of them. They not only issued documents to ban them but also sent people to drive them away, and move the markets from the bustling and lively places to the remote corners. As a result, the markets have not been dispersed, but have become larger and firmly established there, and have been playing a more and more distinct role in enlivening the economy of the cities and the countryside.

The emergence of the rural specialized markets demands change and rearrangement of the economic structure in the countryside at the right moment. Under the premise of maintaining a good momentum in grain production, the peasants should be encouraged to spend more labor force and capital to open up new areas of circulation and put an end to the situation of the separation of the prefectures from the cities and the countryside, in order to let the commodities flow into the local markets and into the markets of all places in the country as well. The peasants should also be encouraged not only to produce agricultural, sideline, and industrial products, but also to develop from low-grade to middle-grade and high-grade products; from household-scale comprehensive production to the further division of labor and varieties and gradual joint production; and from centering on the rural markets to centering on both the urban and the rural markets.

The people engaged in the production and circulation of specialized commodities should mainly come from the specialized households and the households that are responsible for transporting the goods for sale. All kinds of methods should be adopted to manage the business flexibly, and attention must be paid to efficiency and profits, in order to benefit the country and the people.

At present the most important thing is to relax the policies concerning the rural specialized markets in order to let the peasants have enough decisionmaking powers in their production and management. Under the premise of strict implementation of the tax laws, the tax revenue departments may levy taxes, reasonably reduce the taxes, and exempt people from taxes according to the law, the relevant regulations, and the market situation. Except the department responsible for the management of industry and commerce, which levy management fees, according to the regulations, no other units are allowed to levy fees on the specialized markets under any pretence. The departments concerned should also do all kinds of service work well, such as information, capital, food and lodging, and management, to remove the peasants' fear of disturbance in the rear.

With good policies and support from all quarters concerned, more and better rural specialized markets will be established, which will surely advance the steady development of the reform in the rural areas and the overall reform of the cities.

PROTECTION FOR SPECIALIZED HOUSEHOLDS URGED

OW180353 Beijing XINHUA Domestic Service in Chinese 1139 GMT 17 Dec 84

[Text] Beijing, 17 Dec (XINHUA) -- XINHUA editor's note: The party Central Committee has, time and again, stressed the need to protect the legitimate interests of rural specialized households in developing commodity production, and made a clear stipulation in this connection in Document No 1 issued this year. However, comrades in some localities and departments have turned a deaf ear to the stipulation. They are not wholeheartedly serving the rural specialized households in developing commodity production, but are deliberately trying everything possible to make things difficult for them. The situation reported by Liu Zuolun, from a household specializing in transport and marketing in Sichuan's Zitong County, is a typical case.

In the period of developing the socialist commodity economy in our country, specialized households represent new productive forces in rural areas. To protect the legitimate interests of specialized households means to protect productive forces, and violation of their legitimate interests is tantamount to destruction of productive forces. Cadres at various levels in all localities and departments must proceed from the stand of protecting productive forces, and from the seriousness of upholding the party's policy in resolutely protecting the legitimate interests of specialized households, and enthusiastically serving them in developing commodity production.

The problems reported by Liu Zuolun have already aroused the attention of the Sichuan provincial party committee and the provincial government. Effective measures are being taken to correct, and stop, the practices of using one's position and power to violate the legitimate interests of specialized households. [end XINHUA editor's note]

In a recent letter to the State Council General Office's bureau for handling letters and visits from the people, Liu Zuolun, of a self-employed household specializing in transport and marketing in Liya Township, Zitong County, Sichuan complained that it was difficult for specialized households to get around these days, and that everywhere they went, they were asked to "pay a fee to get through."

Liu Zuolun's letter said: In July this year, the township enterprise office entrusted him to buy lumber for the township's mechanized brickyard. It took him 54 days and 1,453 yuan for 7 permits to transport, in 2 trucks, 13 cubic meters of used building materials, which he bought for 3,300 yuan in Gongdian Township, Jiange County, back to Liya Township, a mere 60 kms. The unreasonable expenditure raised the cost of the lumber, which consequently was rejected by the brickyard. Liu Zuolin was compelled to transport the lumber from Liya Township to Wusheng County, and obtain another four permits. Altogether, with his earlier trip, he had to get 11 permits.

Permit No 1: Entertaining the venoors -- he spent 44 yuan on three groups of cadres and ordinary people in Yunguang Village, Gongdian Township in Wusheng County.

Permit No 2: No 3 group leader in Yunguang Village, Zhao Ziyin, extorted 15 yuan.

Permit No 3: The trucks he had hired came late, for which Yunguang Village cadre, Jia Zhian, issued a "delay ticket", and fined him 50 yuan.

Permit No 4: The Jiange County, Yuanshan District Industry and Commerce Station collected 60 yuan administrative fee.

Permit No 5: Village cadre Yang Guoping, in Erdong Township, Zitong County collected 100 yuan "road construction and service fee," and extorted another 35 yuan.

Permit No 6: When he was passing through Ziqiang Township, Zitong County, he was forcibly stopped by the township government. He had to unload the trucks, and stop for 22 days. After repeated negotiations, he paid 424.5 yuan storage and unloading fees and was finally released.

Permit No 7: The Zitong County Forestry Bureau collected the afforestation fee, a fine for failing to pay the fee, and the retention for the fine, totaling 724.5 yuan.

Permit No 8: Transporting the lumber from Liya Township to Wusheng County, and passing through Mianyang City on the way, he paid 18.5 yuan market management fee to the city market.

Permit No 9: He paid 20 yuan when applying for a transport permit at the Mianyang Forestry Bureau.

Permit No 10: He paid 3 yuan parking fee at the Mianyang City Market.

Permit No 11: He paid 36 yuan afforestation fee to the Santai County Forestry Bureau when he passed through the county.

Altogether, Liu Zuolun paid 5,534.82 yuan to obtain these 11 permits, and buy and transport the lumber, which he sold for only 3,750 yuan. His loss was nearly 1,800 yuan.

Liu Zuolun said in his letter: Heavily in debt, and feeling insecure about the interests of specialized households, he has decided to turn in his certificate. He said: What I am worried about is not that the party's policy will change, but that some local cadres are not implementing the party's Document No 1.

LIAOWANG ON 'UNHEALTHY TREND' OF ABUSE OF POWER

HK170247 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 16 Dec 84

[Text] Issue No 51 of LIAOWANG, to be published tomorrow, carries an article by (Chen Daxin) and (Chen Hongyi), entitled "Curb This New Unhealthy Trend." The article says:

At present urban reforms are unfolding in depth in China. A new unhealthy trend has emerged amidst this excellent situation: State organs and work personnel of the organs are engaging in commerce. This unhealthy trend is in fact a new expression of the bad work style of using power for private purposes in the new situation. Unless this is stamped out, some people are bound to trade principles for cash, use the power they possess to pursue their own interests and those of small cliques, and forget all about the great cause of the four modernizations and the great business of reform. It is therefore essential to curb this unhealthy trend, and to ensure honesty and propriety among our state organs and work personnel. The article stresses: State organ cadres must never forget that their fundamental duty is to serve the people. Party and government organs at all levels, factories, enterprises, and units must conduct their affairs in accordance with the spirit of the principles laid down in the CPC Central Committee Decision on Reform of the Economic structure. They must have a clear idea of what they should and should not do. They should improve economic results by proper means, such as improving management. They should increase revenue by learning true abilities that benefit the state and the people. They must certainly not do things that violate the spirit of the decision.

EDITORIAL ENCOURAGES QUALITY, PRICE DIFFERENTIALS

HK170357 Beijing JINGJI RIBAO in Chinese 10 Dec 84 p 1

[Editorial: "High Price for High Quality, Low Price for Low Quality"]

[Text] The "Decision of the CPC Central Committee on Reform of the Economic Structure" adopted by the 3d Plenary Session of the 12th CPC Central Committee requires the "establishing of a rational price system and paying full attention to the role of economic levers." It also points out: There is much confusion in our present system of pricing. The prices of many commodities reflect neither their value nor the relation of supply to demand. This irrational price system hampers the production and operation of enterprises, retards technological advances and the establishment of a rational production mix and consumption patterns, fails to ensure the smooth circulation of goods between urban and rural areas, and seriously hampers the application of the principle of distribution according to work.

One of the main manifestations of our present irrational price system is the inadequate price differentials for a given product with diverse quality. Reforming the price system, implementing the policy of fixing prices according to quality, and practicing higher price for higher quality and lower price for lower quality are important measures to promote technological advances, enhance the quality of commodities, increase styles and varieties, and raising economic results. It is necessary to widen the price differentials for a given product between high quality goods, average quality goods, and low quality goods through the readjustment of prices, so that fixing prices according to quality can be realized on the basis of classification of goods according to quality in a systematic manner.

The measure of higher prices for higher quality is: Those products with quality indexes exceeding or reaching international standards, which have been examined and affirmed by the quality inspection organizations authorized by the state or by the central departments in charge; those products with prominent social economic results in saving energy resources and raw and semi-finished materials and in enhancing the suitability of products or increasing the life of consumption of products, which have been affirmed by the state or by the central departments in charge; and those traditionally famous products with long-standing good quality recognized by end users or consumers, which have been examined and affirmed by the relevant quality inspection and supervision organizations of provinces, municipalities, autonomous regions, or the state.

Starting from 1985, on the basis of the pilot plans already carried out, price differentials will first be effected between the different qualities of some given products -- between the products with average quality and the products which have obtained golden awards and silver awards of the state, the title of superior quality awarded by relevant departments, and the title of superior quality awarded by authorities of provinces, autonomous regions, and municipalities directly under the central authorities.

The prices of the above-mentioned superior quality products are to be fixed separately by the price control departments, various industrial departments in charge, and various localities in accordance with the power of control in terms of classification of prices. The enterprises should send in their application to the relevant departments, and practice higher prices for high quality within the prescribed period on condition that the title of superior quality products is effective. At the same time, in accordance with market conditions, enterprises are allowed to sell their superior quality products at ordinary prices or even at reduced prices, subject to approval by the relevant price control department.

With regard to those products with higher prices for higher quality, the production units and the quality supervision and inspection organs should often check on the quality of these products, and the superior quality prices should be discarded if the quality is found to be below standard. Furthermore, with regard to those enterprises which produce inferior quality products which cannot meet the prescribed standards and those enterprises which still produce outdated and backward products which have been ordered by the state to suspend production, punitive measures such as reducing selling prices, increasing taxes, fines, or even ordering suspension of operation should be adopted against them.

With regard to products of superior quality, superior quality prices may be put into effect after approval, and there should be no floating prices. If prices are allowed to float upward, enterprises will be prompted to raise the prices of their products, resulting in general price rises. All the production enterprises should strive to obtain better economic results mainly through technological advances, lowering consumption in production and costs, and increasing the output of competitive products of higher quality, and they should not attempt to increase their revenue through enhancing the prices of their products.

Lowering of the quality of products means, in essence, price rises for consumers, and it also signifies a kind of waste of social wealth. On the contrary, enhancing the quality of products with practical selling prices means a kind of economy of social wealth. Therefore, only products with higher quality can be sold at higher prices, and products with inferior quality are not allowed to be sold at higher prices. It is not permissible to substitute inferior goods for good quality goods or raise prices at will under the pretext of fixing prices according to quality. Any violation of the relevant regulations will be severely dealt with.

Reforming the structure of prices is the key to the success or failure of the reform of the whole economic structure, and it has a great bearing on the overall situation of the national economy. In this regard, prudence is of crucial importance. We believe that as long as the policy of fixing prices according to quality, higher prices for higher quality, and lower prices for lower quality can be implemented resolutely and carefully, it is certain to be able to promote enhancement of the economic results of the production enterprises, and to satisfy the needs and desires of the consumers, thereby facilitating the development of the entire national economy.

NEW TAXATION SOCIETY HOLDS INAUGURAL MEETING

Li Xiannian Congratulates Group

OW180421 Beijing XINHUA Domestic Service in Chinese 1427 GMT 17 Dec 84

[Text] Beijing, 17 Dec (XINHUA) -- "Taxation is an important measure in regulating the country's economy, ensuring its revenues, and promoting the construction. It is especially important at the present," said President Li Xiannian in a congratulatory letter to the China Taxation Society which was inaugurated today. Li Xiannian said in the letter: The taxation system has been undergoing reform. Only by making reform can we meet the needs of modernization. There is much to learn and many questions to be studied in taxation work. He urged the society to integrate theory with practice and continuously sum up the experience in order to raise the level of taxation theory and guide and improve taxation work. An inaugural meeting for the China Taxation Society was held in Beijing today. The society is a people's organization dedicated to the study of the science of taxation. Its main tasks are to conduct scientific and theoretical study and academic exchanges, provide consultation to taxation and other departments concerned, and unfold academic exchanges with foreign counterparts.

Wang Bingqian on Taxation

OW180615 Beijing XINHUA Domestic Service in Chinese 1452 GMT 17 Dec 84

[Text] Beijing, 17 Dec (XINHUA) -- Wang Bingqian, state councillor and minister of finance, pointed out: From now on it is necessary to adopt effective measures to strengthen taxation and fully and effectively use taxation as an economic lever in order to bring it into full play in reforming the economic structure. Wang Bingqian made these remarks at the founding meeting of the Chinese Taxation Society on 17 December. He said: Our present taxation task is very heavy. After taxation replaces profit delivery, there will be the transition from the co-existence of taxation and profit delivery to taxation completely replacing profit delivery. The country's principal form of revenue will come from taxation. Along with deepening overall reform of the economic structure, taxation work's position and role have become more and more important. Wang Bingqian said: Under the circumstances of great developments of commodity production, multiple-channel commodity circulation, and diversified economy, tax workers are, on the one hand, called on to conscientiously exercise law of value in coordination with price, credit loan, and other economic levers to readjust production, income, and consuming; encourage enterprises to develop production to increase economic results; and guide and supervise enterprises to help develop the national economy in a coordinative way. On the other hand, they are also called on to make efforts to tap new financial resources on the basis of developing production and collect all taxes due in good time in accordance with policy in order to guarantee the availability of reliable funds for the four modernizations and speed up the vigorous development of China's socialist construction.

LI XIANNIAN, BO YIBO CONGRATULATE AUDITING GROUP

OW180409 Beijing XINHUA Domestic Service in Chinese 1257 GMT 17 Dec 84

[By reporter Tian Chuan]

[Text] Beijing, 17 Dec (XINHUA) -- In a congratulatory message to the China Auditing Society's inaugural meeting President Li Xiannian called for establishing, as soon as possible, a distinctively Chinese socialist auditing system so that auditing work can better serve the modernization drive.

Li Xiannian pointed out in his letter: In accordance with the power stipulated in the Constitution, auditing organs shoulder a glorious but arduous task. Doing a good job in auditing supervision is of great importance in strengthening the socialist legal system, safeguarding the interests of the country and the people, promoting economic construction and economic structure reform, improving operations and management, and raising economic effectiveness. Auditing personnel should effectively rely on the broad masses of cadres and people in reinforcing financial and economic discipline, ensuring normal expenditures for the national construction and the people's livelihood, and combating errors of departmental selfishness, waste, and extravagance, as well as illegal acts of graft and larceny in order to create a healthy atmosphere of honesty in performing official duties in government organizations and enterprises.

Li Xiannian stressed in his letter: Since auditing is a brand new field of work in China, there is a pressing need for increasing the study of auditing theory, system, and methods. He urged the China Auditing Society and all auditors to continuously sum up practical experience and strive to do a good auditing job.

The China Auditing Society was inaugurated in Beijing on 17 December. Hu Qiaomu and Bo Yibo respectively sent a congratulatory cable and letter to the society. The China Auditing Society is a people's academic organization dedicated to the study of auditing theory and practice.

STATE COUNCIL CIRCULAR ON RURAL EDUCATION FUNDS

OW180447 Beijing XINHUA Domestic Service in Chinese 1247 GMT 17 Dec 84

[Text] Beijing, 17 Dec (XINHUA) -- The State Council recently issued a circular to the various localities and departments on raising funds for rural schools.

The circular says: Developing education is an important matter related to China's economic revitalization. It should deserve serious attention from the people's governments at all levels. In the 1980's China has essentially made primary school education universal in an overwhelming majority of rural areas. It has also made middle school education universal in areas where economic conditions are relatively good. At the same time, it has vigorously promoted pre-school education, actively developed agricultural technical education, carried out a structural reform in the secondary education system, and vigorously trained technical personnel to meet the needs of economic development. But the present conditions in rural areas are poor. They lack education funds. Primary and middle school teachers' salaries are too low, seriously impeding the development of education in the rural areas. Therefore, in addition to the state's annual increases in capital construction funds and operating expenses in education, the enthusiasm of rural collective economic organizations and social forces should also be fully aroused to develop education.

To raise funds for rural education, the circular makes the following stipulations: Open more channels to raise funds for rural education. In addition to educational operating expenses allocated by the state, the township governments may levy an education surtax and encourage the various social sectors or individuals to invest in education. The funds thus raised should be earmarked for education, and no department or unit should be allowed to divert or transfer them for any reason. The state-allocated educational operating expenses will be issued to the township by the county without reduction or retention. From now on, annual increases in operating expenses issued by the state or local government should be spent primarily on developing normal school education or as educational subsidies to impoverished areas.

Prosperous areas must be responsible for their own educational operating expenses. An educational operating expenses surtax will be levied by the township people's government on all agricultural and township enterprises. It may be levied according to sales revenues or by other means but should not be levied as a poll tax or according to land areas.

With the prerequisite of not augmenting its administrative organization, the township People's Government may set up a management commission to be responsible for the education operating expenses management commission will report to the township people's Congress once each year on revenue and expenditures concerning the education operating expenses fund. It will also accept guidance and supervision from the county education and finance departments. Take effective measures to gradually raise the salaries of rural middle and primary school teachers, thereby making their profession one of the most enviable. A regular salary system for teachers should be implemented in all rural middle and primary schools run by local people, thereby gradually erasing the line dividing public schools from those run by local people. Wages and welfare for school staff members and workers should also be improved.

The circular points out in conclusion that levying an education surtax in the rural areas is an innovation. The various localities should strengthen their leadership over this matter, sum up experiences, and promptly solve problems as soon as they occur.

INCREASED DISTRIBUTION OF PUBLICATIONS FOR 1985

OW161001 Beijing XINHUA Domestic Service in Chinese 0135 GMT 15 Dec 84

[By reporter Wu Jincal]

[Text] Beijing, 15 Dec (XINHUA) -- In the coming new year, China's posts and telecommunications departments are expected to distribute more than 3,500 publications, 400 more than the figure early this year, and an increase of more than 1,000 over 3 years ago.

Among new publications recently handed to post offices for distribution, the rising number of professional newspapers is particularly noteworthy. The publishing of professional newspapers, such as ZHONGGUO SHANGYE BAO [CHINA COMMERCE NEWS], ZHONGGUO HUAGONG BAO [CHINA CHEMICAL INDUSTRY NEWS], ZHONGGUO DIANZI BAO [CHINA ELECTRONICS NEWS], and ZHONGGUO JIAOTONG BAO [CHINA COMMUNICATIONS NEWS] will enable cadres and workers in these trades to get more direct professional guidance. Just a couple of years ago, there were only a very few such types of newspapers including RENMIN TIEDAO [PEOPLE'S RAILWAY], RENMIN YUDIAN [PEOPLE'S POSTS AND TELECOMMUNICATIONS], and YEJIN BAO [METALLURGY NEWS]. With the development of the new trend, this type of newspaper will become one of the mainstreams of the country's newspapers.

Professional newspapers and magazines are also developing in the direction toward more detailed classification. Digests published in various localities throughout the country alone number 89, such as TAIGANG YU HAIWAI WENZHAI [TAIWAN, HONG KONG, AND OVERSEAS DIGEST], JIANKANG WENZHAI [HEALTH DIGEST], and YUWEN WENZHAI BAO [LANGUAGE AND LITERATURE DIGEST NEWS]. They are now available for subscription according to readers' interest. An increasing number of large comprehensive newspapers are also publishing professional tabloids to meet the readers' new needs. In order to cope with the mushrooming of newspapers and magazines and satisfy demands of large numbers of readers, the Ministry of Posts and Telecommunications called on all localities to establish more distribution channels besides those of the posts and telecommunications departments.

They may mobilize various social sectors to handle the subscription, sales, delivery on a commission basis, select outstanding distribution units for this work, or handle some of the distributions by themselves. It is expected that next year will be a competitive year for newspapers and other publications.

MA HONG PREFACE TO CONSTRUCTION MATERIAL BOOK

HK180311 Beijing RENMIN RIBAO in Chinese 16 Dec 84 p 5

[Article by Ma Hong: "Preface to 'On Management of Materials for Capital Construction'"]

[Text] The book "On Management of Materials for Capital Construction" is a collection of works exploring methods of operating and managing materials for capital construction in our country from the point of view of integrating theory with practice. At a time when economic construction in our country has achieved great success and the reform of economic structure with the cities as its focal point is being fully carried out, the publication of the book will be extremely enlightening and helpful to the vast number of workers on the capital construction front in accomplishing the new historical task.

Comrade Xiaoping once said that operating and managing material is a subject requiring profound knowledge. However, many comrades in the past did not do enough systematic study of this subject requiring profound knowledge. In particular, influenced for a long time by the impractical traditional concept that "the means of production in socialist society is not a commodity," they rigidly controlled such important means of production as capital construction materials in the systems of distribution, supply and marketing, and pricing, and also set the rule of applied value in the field of circulation of means of production against the practice of planned economy, with the result that the management methods became backward. They only paid attention to supply but looked down upon business management in disregard of the economic results of material circulation. In particular, those circulation enterprises which directly operated and controlled capital construction materials as well as those construction enterprises which directly used these materials all lacked the necessary decisionmaking power, vitality, and energy.

In the past few years, some areas and departments have engaged in many tests and experiments in the aspect of reforming the management structure of materials for capital construction, and scored initial achievement. The 3rd Plenary Session of the 12th CPC Central Committee approved many important policies regarding the reform of economic structure in our country, and presented a series of important principles, guidelines, and policies regarding reform and theoretically affirmed that socialist economy is planned commodity economy, thus pointing out the direction for our further study of the reform of the structure of materials for capital construction. As a point of breakthrough in urban reforms, the reforms in the construction trade and in the management system of capital construction materials which started earlier also make it urgently necessary to correspondingly speed up the reforms in the structure of capital construction materials.

The book "On Management of Materials for Capital Construction" which is permeated with the reform spirit summarizes some of the useful experiences of every area and every department in initial reform. I believe that the publication of the book will certainly give important impetus to the structural reform in the front of materials for the capital construction in our country as well as the popularization and application of modern management methods, and to the development and establishment of economic studies on capital construction materials.

LI PENG SUPPORTS EFFORTS TO IMPROVE POWER SUPPLY

OW161149 Beijing XINHUA in English 1137 GMT 16 Dec 84

[Text] Beijing, December 16 (XINHUA) -- Chinese Vice-Premier Li Peng today urged electric power producers to take practical and effective measures to ease the country's shortage of power supply. The past 30 years and more have seen a big growth in China's power industry. But, he added, there is still an acute shortage of power supply and the power industry remains a weak link in the country's national economy and social life.

Li Peng made the remarks today at the closing session of a national meeting of advanced individuals and collectives in the power industry. In the current restructuring of economic set-up, the vice-premier said, the electric power departments should simplify administration and delegate power, separate government functions and enterprise management and use economic means to boost the power industry. An all-round responsibility system and the contract system should be introduced to the construction of power projects so as to bring into full play the enthusiasm of the grassroots units.

Another important factor in accelerating the development of the technology-intensive industry, Li Peng said, greater efforts are needed to use those people who know technical know-how and management to direct power undertakings.

Qian Zhengying, minister of water resources and electric power, told the meeting that China now was short of 40 billion kwh of electricity a year. To ease the situation, she said, efforts must be made to build more power stations and conserve energy. During the Seventh Five-Year Plan (1986-1990), China will put into production every year power generating units with an aggregate capacity of six million kilowatts.

LI PENG URGES TECHNICAL PROMOTION COMPETITION

OW151031 Beijing XINHUA in English 0908 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- Vice-Premier Li Peng today called for competition among enterprises so as to promote the country's technical advances. He said that the government would encourage, support and create conditions for such competition.

Competition will not only help invigorate the enterprises and bring the initiative of their workers into full play but also help improve the quality of products, the vice-premier told leading officials attending a national working conference of the machine-building industry which closed here today. The participants had discussed how to separate government functions from enterprise management in the industry.

Li pointed out that the machine-building industry bears the responsibility of providing advanced equipment for all departments of the national economy, and it plays a very important role in accelerating the country's socialist construction. If the reform is done well, the machine-building industry will have a faster development, and the other departments will also gain experience from it, he added.

According to the proposed reform, the machine-building industry and its related bureaus at the provincial and municipal level will no longer manage enterprises but will formulate policies and draw up overall development plans. At the same time, enterprises will be given greater decision-making rights over their operations and management.

The vice-premier urged the materials supply departments to adapt their performance to the changed conditions. He said that China would mainly depend on itself for the supply of necessary equipment in socialist construction while importing some advanced equipment and technology from abroad. New imported technology must be digested and improved, he stressed.

BOOK ON ECONOMIC REFORM DECISION TO BE RELEASED

HK150812 Beijing HONGQI in Chinese No 22, 16 Nov 84 p 22

[Report: "The Book 'Chinese-Style Socialist Economic Structure' Is To Be Published Soon"]

[Text] The "Decision of the CPC Central Committee on the Reform of the Economic Structure" which was approved by the 3rd Plenary Session of the 12th CPC Central Committee has integrated the universal truth of Marxism with China's concrete practices, put forth the blueprint for building a socialist economic structure with Chinese characteristics, developed the Marxist political economy and theory on scientific socialism, and will surely play a tremendous role in promoting the modernization of our country.

In order to help the vast number of cadres and the masses study this historic document, the editorial department of HONGQI has asked some economic workers and theoretical workers to write 20 articles. The writers of these articles are: Yuan Mu, Gui Shiyong, Wu Junyang, Sun Xuewen, Tian Yuan, Yang Qixian, Zheng Hongqing, Sun Shangqing, Xie Minggan, Jiang Yiwei, Zhao Lukuan, Liu Hong, You Lin, Zuo Chuntai, Zhao Haikuan, Wan Dianwu, Wang Guiwu, Gao Shangquan, Gong Yuzhi, and Wang Renzhi. These articles have made, in simple terms, a profound exposition on the various aspects of the "Decision" and are conducive to a correct understanding and mastering of the spirit and essence of the "Decision." A certain number of these articles will be soon published in their entirety by the Hongqi Publishing House. The title of this book will be "Chinese-Style Socialist Economic Structure." The price of the book will be 1 yuan each and it will come off the presses in mid-December and will be distributed by Beijing's Xinhua Bookstore. If you want to buy this book, please go to any Xinhua Bookstore in any area of our country or go directly to (or write to) HONGQI's Readers Service Department (address: No 2, North Sha TanSt., Beijing) to order this book.

NPC GROUP CONCLUDES SICHUAN INSPECTION TOUR

OW160654 Beijing XINHUA Domestic Service in Chinese 1602 GMT 15 Dec 84

[By reporter Wang Wenjun]

[Text] Chengdu, 15 Dec (XINHUA) -- The NPC inspection group headed by Ye Lin, vice chairman of the NPC Financial and Economic Committee, conducted inspections in Sichuan 5-14 December. The inspection group left Chongqing for Hubei today.

During inspections in Chengdu and Chongqing, the NPC inspection group heard reports by the Sichuan Provincial People's Government and the Chongqing City People's Government on Reform of the Urban Economic Structure and the pilot projects. The NPC members went to the factories to make investigations and studies. They held discussion meetings for party committee secretaries and plant directors of factories experimenting with the plant director responsibility system in order to understand their experiences and problems to be solved. The inspection group expressed satisfaction with Sichuan Province's reform of the urban economic structure.

Members of the inspection group also met with some of the NPC deputies in Chengdu and Chongqing. While visiting agricultural and trade markets in the province, the inspection group members highly praised the flourishing markets and plentiful commodity supplies.

WANG ZHEN CUTS RIBBON AT COAL MINE OPENING

SK170933 Taiyuan SHANXI RIBAO in Chinese 2 Dec 84 p 1

[Excerpts] On 1 December, a train fully loaded with raw coal pulled out of the Gujiao mining area of the Xishan Coal Mining Administration. The Xiqu mine, a pair of large-scale modern pits with an annual capacity of 3 million tons designed and built by our country, was successfully completed and went into operation.

Wang Zhen, member of the CPC Central Committee Political Bureau, cut the ribbon and spoke at the ceremony marking the opening of the mine. Others attending the ceremony included Gao Yangwen, minister of coal industry; Jin Deqin, president of the Bank of China; and responsible comrades of pertinent state departments. Mr Kato Masami, member of the board of directors of Japan's Export-Import Bank, and Mr Ichikawa Emon of the Japan-China Economic Association were invited to the ceremony. Also attending were Li Ligong, secretary of the provincial CPC Committee; Wang Senhao, governor of the province; Wang Jiangong, secretary of the Taiyuan City CPC Committee; Wang Maolin, mayor of Taiyuan City; and other provincial and Taiyuan City responsible persons.

On behalf of the CPC Central Committee and the State Council, Wang Zhen, member of the Political Bureau of the CPC Central Committee, extended congratulations and regards to all comrades participating in the construction of the Gujiao coal mining area. He encouraged the mining area, which is being developed, to strive to become a model mining area of the country. He also urged Shanxi Province to implement policies concerning energy development and to lead all the professions and trades in the province to grow and flourish so that the people of Shanxi Province can become prosperous quickly.

WANG ZHEN RECEIVES DISTILLERY LEADERS IN SHANXI

SK180628 Taiyuan SHANXI RIBAO in Chinese 4 Dec 84 p 1

[Excerpts] On 1 and 2 December, Wang Zhen, member of the CPC Central Committee Political Bureau, cordially received responsible comrades of the Xinghuacun Fenjiu Distillery on two occasions. Comrade Wang Zhen pointed out that production of fen wine should be greatly developed. He also extended regards to all the staff members and workers of the distillery.

Comrade Wang Zhen has shown deep concern for the production of fen wine. Some 10 years ago, when he was inspecting the distillery, he, showing great foresight, pointed out that efforts should be made to produce 30,000 tons of fen wine with 1 million jin of grain every year. After that, he emphasized on many occasions the necessity of producing fen wine with great efforts. Governor Wang Senhao was present on the occasions.

FILM-MAKERS AVOID CONTROVERSIAL SUBJECTS

HK140517 Beijing CHINA DAILY in English 14 Dec 84 p 3

[Text] Fears left over from the "Cultural Revolution" still dominate the film industry. Film-makers try to avoid committing political offences and pay too little attention to artistic considerations, Xia Yan, president of China Film Association has told ECONOMIC DAILY. He said that script-writers and directors did not tackle important controversial subjects, and this hampered the industry's development.

He stressed the policy of "letting one hundred flowers bloom" and called on script-writers to relate their work to present-day life.

He said that reforms were needed in the film industry's management system, there was no distinction between political and economic administration and studios could not sell their products directly to cinemas. All the film-makers sell their productions to the China Film Distribution Corporation, which then distributes the films to cinemas, charging the same price regardless of quality.

The studios gain nothing when they produce a popular film, but also do not lose anything when they produce an unpopular one.

Xia recalled 1957 as a good time in the industry when there was wide co-operation, free choice of subjects, responsibility for profit and loss, and the film director was the centre of the filming group.

Xia stressed that China's film industry had developed greatly since liberation -- though many films were tied to current political campaigns, producing "sloganized films" that that public did not want to see. He said the film industry should look at the good experiences in rural reforms and leaders should rely on the people to find the right way to reform the film industry.

BO YIBO, GU MING ATTEND OPENING OF LAW FIRM

OW141955 Beijing XINHUA in English 1429 GMT 14 Dec 84

[Text] Beijing, December 14 (XINHUA) -- A special law firm offering legal services for international economic and trade activities was established here today. The China Global Law Office will provide aid to enterprises and financial, insurance, patent and trade mark organizations both in China and overseas, said Liu Shaoshan, president of its Executive Committee. The office will have more than 80 professional and part-time lawyers. Attending the inauguration of the office tonight were Bo Yibo, vice-chairman of the Central Advisory Commission of the Chinese Communist Party and honorary chairman of the China Council for the Promotion of the International Trade, Gu Ming, deputy secretary general of the State Council, and Ren Jianxin, vice-president of the Supreme People's Court.

CHEN MUHUA VISITS, HAILS NINGBO HARBOR

OW142357 Hangzhou ZHEJIANG RIBAO in Chinese 1 Dec 84 p 1

[Excerpts] Chen Muhua, alternate member of the Political Bureau of the CPC Central Committee, state councillor, and minister of foreign economic relations and trade, inspected Beilun Gang on the morning of 29 November. She said that Ningbo should build itself into an important foreign trade port of eastern China by taking full advantage of its fine deep-water harbor to develop foreign trade.

She also said: Beilun Gang can become an important lumber transfer and storage base for southern China and engage in lumber import. It has very favorable conditions and very great potentials to be tapped. Chen Muhua also praised Beilun Gang for its policy of "low profits but more turnover" and its efforts to increase state income by handling bulk chemical fertilizers. She said: This is a good policy. It is particularly necessary for a new harbor to practice the policy of "low profits but more turnover." Since its name is not yet widely known, it is necessary to continuously expand its influence by offering fine quality service and charging reasonable fees.

XIANG ATTENDS FUJIAN TRADING CO. INAUGURATION

OW171750 Fuzhou FUJIAN RIBAO in Chinese 29 Nov 84 p 1

[Excerpts] A solemn ceremony was held in the Xiamen Special Economic Zone today to inaugurate the Sanjiang Trading and Development Corporation, a cooperative establishment operated jointly by Xiamen City and Longxi and Jinjiang Prefectures. Xiang Nan, first secretary of the Fujian Provincial CPC Committee, praised the inauguration of the corporation by saying that it was a good beginning for promoting associated operations in the province.

The corporation has been set up for the purpose of developing the economy in southern Fujian, establishing more Overseas Chinese towns, and promoting economic development throughout the province. The corporation will deal in import and export products of all kinds, handle import-export businesses for enterprises inside and outside the province, and also handle other matters such as importing advanced foreign technology, equipment, management, and bringing in foreign investments and investments by Overseas Chinese. Vice Governor Wang Yishi serves as honorary chairman of the corporation's Board of Directors. Guo Liangru, vice chairman of the Fujian Provincial Structural Reform Commission, is adviser. Zhang Ketong serves as chairman of the corporation's Board of Directors, while Yao Jinxiao, Zhang Tizai, and Mao Disheng are its vice chairmen.

Comrade Xiang Nan attended the inauguration ceremony. Addressing the gathering, he said: Fujian Province is open to the outside world. We have established relations of cooperation with many countries and many other provinces and cities, but we have done little to promote mutual cooperation within the province. This is a major defect. Today, the formation of the Sanjiang Trading and Development Corporation through the cooperation of the Xiamen City and Longxi and Jinjiang Prefectures marks a good beginning. He noted: the population of this city and the two prefectures is nearly 10 million. The climate there is good and, with a few million Overseas Chinese living there, the natural, geographical, and human conditions are exceptionally favorable. It is not excessive to call the region a "gold coast." Some people have described it as the "golden triangle." Well, this is a golden triangle with rich resources and favorable conditions created by its mountains, by the sea, by the Overseas Chinese living there, by its subtropical climate, and by the Xiamen Special Economic Zone. He expressed the hope that Xiamen and the two prefectures would coordinate among themselves, support one another, and do their work well by working hard and by cooperating with other provinces and cities in order to promote their own economic development as well as that of the entire province. Comrade Xiang Nan wished the corporation prosperity and success.

Vice Governor Huang Changxi, Xiamen Mayor Zou Erjun, and Zhang Ketong, chairman of the Board of Directors, cut the ribbon at the ceremony.

HAN PEIXIN GIVES REPORT AT JIANGSU CONGRESS

OW161742 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 14 Dec 84

[Text] In consideration of the present foundation for economic development in Jiangsu Province and the trend of future development, Comrade Han Peixin has put forward the general goals for economic and social development in his report to the Seventh Jiangsu Provincial CPC Congress.

He said: While ensuring steadily increasing economic results in developing the economy, we should strive to double the annual industrial and agricultural output value 1 or 2 years before 1990, using 1980 as a base figure. In this way, we can lay a good foundation for the second doubling of annual industrial and agricultural output value by the end of the century. We should improve economic efficiency, maintain a steady

increase in both industrial and agricultural output value and the national income, increase revenue by a greater margin, and greatly raise the levels of science and technology and the people's standard of living.

Comrade Han Peixin pointed out: In order to realize these goals, we should grasp the work of the Seventh 5-Year Plan as well as the long-range plan. During this period, stress should be on carrying out reform in cities, we should also further develop economic relations among enterprises and various places, promote technological progress, speed up the work of opening to the outside world, promote social development, raise economic results, and maintain steady and stable development in our economic work.

Comrade Han Peixin pointed out in his work report: Party organizations at various levels throughout the province and all party members, especially leading cadres at various levels, must firmly and creatively implement the decision of the 3d Plenary Session of the 12th CPC Central Committee, courageously and wisely carry out various tasks in a solid manner, and strive to achieve good results in 3 years and fulfill in the main the tasks of reform in 5 years.

He said: In order to fulfill the tasks, we must study seriously and understand wholly the spirit of the decision of the 3d Plenary Session of the 12th CPC Central Committee, sum up our experience and lessons, unify our thinking and understanding, further eliminate leftist influence, shake off the shackles of traditional concepts, truly liberate our thinking, and advance in broad strides. We should grasp the central link of invigorating the enterprises and strive to fulfill various tasks in carrying out reform of the economic structure.

Comrade Han Peixin pointed out: The reform of the economic structure touches many major theoretical and practical problems and is related to the adjustment of rights and interests of the state, the locality, the enterprises, and of cadres, staff members, and workers. Various places should proceed from reality, carefully organize the work in a solid manner, and begin now to ensure steady progress. Party organizations at various levels should make careful arrangements; strengthen their guidance; have enthusiasm for creating new things and scientific spirit of seeking truth from facts; clearly understand the orientation of reform; know the effective steps for implementation; test the work at selected points and use them to lead the entire area; and implement the reform tasks, especially the current reform measures, in a down-to-earth manner.

Congress Examines Report

OW171215 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 15 Dec 84

[Text] According to a report by this station's reporters Xiao Yunlong and Bai Guoyou, on the afternoon of 14 December, after dividing themselves into 13 delegations and 30 groups, all delegates to the Seventh Jiangsu Provincial CPC Congress started to examine and discuss the work report made by Comrade Han Peixin on behalf of the Sixth Jiangsu Provincial CPC Committee. The delegates unanimously maintained that, based on seeking truth from facts, the report summed up the previous provincial committee's work over the past 7 years and clearly put forward the targets of struggle and major tasks for the future, and that the entire report embodied the decisions of the 3d Plenary Session of the 12th CPC Central Committee.

Comrade Han Peixin pointed out in his report that both the economic and political situation at present are the best since the founding of the country, and that both are developing in the direction toward even better improvement. In examining and discussing the report, the delegates stated that the summation fully conforms with the actual situation in the province. Many delegates also talked freely about the present excellent situation on all fronts in connection with the reality in their localities.

(Luo Jiye), a delegate from Huaiyin City and secretary of the Lianshui County Party Committee, said: Lianshui County was originally a poor county.

In 1978 its industrial and agricultural output value was over 244 million yuan, averaging over 290 yuan per capita. Since the 3d Plenary Session of the 11th CPC Central Committee, the county popularized and carried out the family production contract responsibility system, planted green manure and transplanted paddy rice in large areas, and vigorously grasped village and town enterprises. Last year, the county's total industrial and agricultural output value reached over 496 million yuan, doubling the original output value for the first time. This year its total industrial and agricultural output value is expected to reach 562 million yuan.

Delegate (Luo Jiye) said happily that General Secretary Hu Yaobang's visit to Lianshui County not long ago has greatly inspired the people throughout the county and that they have the confidence and determination to fulfill the task of doubling the economic indices before the projected date.

In examining and discussing the work report, the delegation from Nanjing City held that the general targets of economic and social development put forward in the report can be completely fulfilled. The delegates stressed: In order to fulfill the general targets, it is necessary to regard city reform as a major task and to further promote relations, develop crosswise economic connections, speed up the opening to the outside world, raise social economic results, and maintain continuous and stable economic development.

Some delegates from enterprises pointed out that because now both the rural economy and minor enterprises have been enlivened, major enterprises should also be enlivened, and that it is necessary to make the enterprises into independent economic entities through reform. They demanded that leading organizations delegate powers as soon as possible and avoid delegation part of these powers and keeping the remainder.

Report on Discipline Inspection

OW170342 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 15 Dec 84

[Text] According to a report by this station's reporter, in a work report delivered on 14 December to the Seventh Jiangsu CPC Congress on behalf of the provincial Discipline Inspection Commission, Comrade Xing Bai pointed out that in performing the province's party discipline inspection work, it is imperative to center the work of strengthening the construction of the party's work style and party discipline firmly on the reality of the economic construction and reform.

He said: The extensive and in-depth changes brought about by the reform of the economic structure will certainly give a strong impetus to improving the party's work style and the social customs. At the same time, in the course of the reform, some new pessimistic phenomena damaging the party's work style and violating party discipline will also appear and impede the smooth progress of the economic construction and the reform of the economic structure. Therefore, the more we want to enliven the economy and the enterprises, the more attention we should pay to resisting corrosion by capitalist ideology, the more we should overcome the corrupt phenomenon of using official powers to seek personal profits and all activities that seriously harm the interests of the state and the people, and the more we should strengthen the construction of the party's work style and party discipline. We should never permit any activity that damages the party's work style and weakens party discipline in the name of enlivening the economy and the enterprises.

He stressed: The party's discipline inspection work in the new period must be carried out in close connection with the reality of the economy construction and the reform of the economic structure.

It is necessary to resolutely safeguard the correct implementation of the CPC Central Committee's fundamental principles and policies on the reform of the economic structure, and to warmly support and promote the reform. With regard to the problems that emerged in the reform, it is necessary to analyze them conscientiously and treat them differently by distinguishing the question of understanding from that of violation of discipline and by distinguishing the errors made in the reform because of the lack of experience from unhealthy tendencies.

In his work report, Comrade Xing Bai also called on the whole party grasp the party's work style by establishing a responsibility system at each level and universally mapping out plans for realizing a fundamental improvement of the party's style of work; to strengthen the education regarding the party spirit, work style, and discipline among the party members; to concentrate its strengths on correcting the unhealthy tendencies of using official powers to seek personal profits and practicing seriously irresponsible bureaucratism; to establish an ideology of protracted fighting; persist in carrying out the struggle to attack serious criminal activity in the economic sphere; to strengthen the building of discipline inspection contingents; and to carry out the reform of the discipline inspection organizations well.

ZHEJIANG CITY READIES FOR FOREIGN INVESTMENT

OW151538 Beijing XINHUA in English 1455 GMT 15 Dec 84

[Text] Ningbo, December 15 (XINHUA) -- Construction has begun on roads and water, power and telecommunications facilities to prepare a 3.9-square kilometer area here for foreign investment, according to a spokesman for the Ningbo Municipal Government today.

Ningbo, in Zhejiang Province, is one of the 14 Chinese coastal cities opened in March this year to Hong Kong, Macao and overseas investment. These and other infrastructure projects in the Xiaogang economic and technical development area will be completed before October 1, 1985, the 36th founding anniversary of the People's Republic of China.

GUANGDONG DISCIPLINE INSPECTION MEETING ENDS

HK1405000 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 12 Dec 84

[Text] The provincial work conference on discipline inspection, held by the Discipline Inspection Committee of the Guangdong Provincial CPC Committee, ended this afternoon. It conscientiously studied the spirit of the Fourth Plenary Session of the Central Commission for Discipline Inspection and defined the guiding ideology, tasks, and requirements for discipline inspection work under the new situation of carrying out overall reform of the economic structure and going a step further in the policy of opening to the outside world. It also exchanged and summed up experiences in discipline inspection work in line with actual conditions in Guangdong.

During the meeting, Wang Heshou, permanent secretary of the Central Commission for Discipline Inspection; Secretary Han Guang; and Fan Xixian, a member of the Central Commission for Discipline Inspection, conveyed the spirit of the Fourth Plenary Session of the Central Commission for Discipline Inspection. Cheng Li, permanent deputy secretary of the Discipline Inspection Committee of the provincial CPC Committee, on behalf of the Standing Committee of the provincial Discipline Inspection Committee delivered a report on improving the party spirit and party discipline to ensure the success of restructuring the economy and the implementation of the policy of opening to the outside world. Wang Ning, secretary of the provincial CPC Committee and secretary of the Discipline Inspection Committee of the provincial CPC Committee, delivered a report at the closing ceremony of the meeting this afternoon.

In his report Comrade Wang Ning stressed: We should conscientiously study and implement the guiding ideology of doing discipline inspection work well in the course of reforming the economic structure. The whole party should persist in improving its style of work. We should be much more strict in discipline and make greater efforts to improve the party's work style while the state is relaxing policies to invigorate the domestic economy. Discipline inspection organs should consciously promote and ensure the accomplishment of the economic restructuring and take it as a major task in their work.

He also pointed out: Under the present new situation, there have appeared certain easily observed evil tendencies in our province, such as reselling imported goods at high prices, party and government organs and cadres have a hand in trading business, speculation, and buying and selling foreign currencies at a high price. He said that CPC committees and discipline inspection committees at various levels should be clear-cut and firm in taking effective measures to make prompt investigations and seriously deal with all cases.

In his report, Comrade Wang Ning also made concrete arrangements for carrying out party rectification satisfactorily in the province's discipline inspection committees in the current party rectification, implementing the central instructions on strengthening the building of discipline inspection committees, and doing a good job in reinforcing the ranks of cadres of discipline inspection committees.

Station Commentary

HK140506 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 12 Dec 84

[Station commentary: "Strengthening Discipline Inspection Work Provides an Important Guarantee for Successful Reform"]

[Text] The provincial work conference on discipline inspection has further defined that it is increasingly necessary for us to strengthen the discipline inspection work of our party under the new situation of reform.

The extensive and profound changes resulting from reform will certainly effect a turn for the better in the party's work style and social mood. However, under complex circumstances and conditions there may appear passive phenomena which run counter to the four cardinal principles and damage the interests of the state and the masses. Some people think that since we want to invigorate the domestic economy, we should relax party discipline. Still other comrades set our policy of carrying out reform and opening to the outside world against the party spirit, party's work style and party discipline. They think that when successes in reform are scored, less attention can be paid to the party's style of work, or that we should grasp reform alone and not the party's workstyle. Such erroneous ideas should be resolutely corrected.

In the restructuring of the national economy, relaxing the principle of party spirit and party discipline is out of the question. On the contrary, only by strengthening the discipline inspection work of our party and adhering to fine work style of the party and strict party discipline can we provide a guarantee for the sound restructuring of the national economy.

GUANGZHOU MILITARY REGION CHECKS BUREAUCRACY

OW180649 Beijing XINHUA Domestic Service in Chinese 0747 GMT 15 Dec 84

[By reporters Ai Pu and Lin Ning]

[Text] Guangzhou, 15 Dec (XINHUA) -- In the course of party rectification, the CPC Committee of the Guangzhou Military Region has analyzed two typical cases of misrepresentation and checked the bureaucratic practices and unhealthy tendency of doing only superficial work among the leading organs.

Despite the fact that some principal CPC Committee leaders in a certain infantry regimental committee committed embezzlement, accepted bribes and stole public property, a leading organ of the Guangzhou Military Region still named the regiment an "advanced unit," and issued a circular to commend it, basing its justification solely on unverified reports submitted by subordinate units.

Since 1979, three major cases of misappropriating oil occurred in a certain oil depot under the Logistics Department of the Military Region. Despite the short distance from the oil depot to the leading organs of the Military Region, the Logistics Department failed to detect these wrongdoings and still rated the oil depot as a "red banner oil depot." During party rectification, the CPC Committee of the Military Region printed and disseminated a report on these two typical negative cases to the various party organizations, and mobilized party members and cadres to analyze, study, and sum up experiences concerning the two cases. It has thus checked bureaucracy in the leading organs.

The party members and cadres maintained that the evil practices of lying, doing superficial work, and reporting only good news while withholding bad, left over by the "Cultural Revolution" have still not been eliminated in some units, while the serious bureaucratic practices in the leading organs and among the leading cadres have provided favorable conditions for the temporary prevalence of these typical misrepresentation cases. Prior to the occurrence of these serious problems in the infantry regiment and the oil depot, work groups from the Military Region and leading organs at various levels had constantly visited these two units. But some of them made only cursory observations, and listened only to falsified reports by a few people, without making deepgoing investigations among the masses; some others were in the habit of wanting only to see, hear and report the good, while withholding the bad; still others even indulged in the evil practice of accepting invitations to banquets, or presents.

Even a letter jointly signed by 11 fighters of the infantry regiment exposing problems existing in the regimental CPC Committee failed to arouse attention. Consequently, the misrepresentations were established and propagated, causing very bad influences.

While mobilizing the masses to analyze the cases to enhance their awareness and draw lessons from them, the CPC Committee of the Guangzhou Military Region has formulated plans to check bureaucracy and the unhealthy practice of doing only superficial work. The Political Department of the Military Region has proposed "Views on Improving the Work of Commending the Advanced and Establishing Typical Cases." It stipulates that in the future, the establishment of typical cases must adhere to the principle of seeking truth from facts, and that all "falsehoods" should be eliminated from any sum-up report. In evaluating and selecting the advanced, it is necessary to insist that they be first recommended by the masses. Before a typical example is established by the Military Region, its deeds must first be verified by the regional organs. When a misrepresentation case comes up, leading organs concerned will be investigated to affix blame. Units or cadres who fail to tell the truth, or report only the good news, should be sternly criticized. When they are involved in very serious cases, and cause bad influences, they should be given discipline punishment.

The leading organs of the Guangzhou Military Region recently held an on-the-spot meeting to exchange experiences of the People's Armed Forces departments in helping local socialist, spiritual civilization construction. The original plan called for the quota of 10 advanced units to be equally distributed among the People's Armed Forces departments. But after some study, it was decided that, in the spirit of party rectification, only one typical advanced case would be commended, whose deeds were repeatedly verified by the leading organs at all levels, and which truly enjoyed prestige among the masses.

QIAO ON GUANGXI SOCIAL SCIENCE WORKERS' ROLE

HK140830 Beijing ZHONGGUO XINWEN SHE in Chinese 1325 GMT 13 Dec 84

[Report by reporter Li Yanzhu: Qiao Xiaoguang Urges Social Science Workers To Give Proper Advice in Economic Reform"]

[Text] Nanning, 13 Dec (ZHONGGUO XINWEN SHE) -- Qiao Xiaoguang, first secretary of the Guangxi Zhuang Autonomous Region, stressed on 11 December that the development of science is one of the strategic priorities in economic and social development and that social science research must also be subjected to a major reform. A switchover must be made from research confined to the college campus and divorced from realities to research conducted in an open way and in light of realities.

At the first congress of the Guangxi Federation of Societies of Social Sciences, Qiao Xiaoguang said that Guangxi is an autonomous region of minority nationalities. Its economic work must be made more active than in other provinces, and its policy must also be more relaxed. Social science workers must make a penetrating study of the features of Guangxi and put forth concrete policies and measures about economic reforms that are suited to the conditions of Guangxi, thus playing the role of advisers to the leadership of the autonomous region.

This Guangxi leader cherishes great ambitions for reform and the development of Guangxi. Before he made the speech, Qiao Xiaoguang headed for the urban and rural areas of Yulin, Wuzhou, Guilin, and so forth to make investigations.

He appealed to the participants in the meeting to make a concrete study of such questions as how to turn Guangxi's superiority in resources into economic superiority in real life, how to combine growth with proper results, and so forth.

In his speech Qiao Xiaoguang said critically that certain departments had failed to attach importance to social sciences. He said that we must respect knowledge and talent and take measures to raise the intellectuals' social position and give full play to the role of social science workers.

GUANGXI SEEKS VETERANS VIEWS ON REVITALIZATION

HK140755 Nanning Guangxi Regional Service in Mandarin 1130 GMT 13 Dec 84

[Excerpt] Today the regional CPC Committee and the regional People's Government invited some veterans of the 7th and 8th Red Armies as well as old comrades who once worked in the region to attend a forum at (Mingyuan) Restaurant. The veterans of the 7th and 8th Red Armies and the old comrades came to the region to attend activities marking the 55th anniversary of the Baise Uprising in Longzhou. At the forum, the regional CPC Committee and the regional People's Government solicited suggestions on revitalizing the region's economy.

At the forum, Wei Chunshu, chairman of the regional People's Government, introduced to the participants the history and present situation of the region's economic work. He analyzed in a truth-seeking manner reasons for the region's backward situation in economic work, and sincerely asked the old comrades to suggest ways and means for revitalizing the region's economy.

At the forum, the old comrades sincerely hoped that healthy practices, unity and coordination will prevail in the region. They also hoped that the region will make a breakthrough in economic construction. On ways to revitalize the region's economy, they spoke freely and put forward many positive suggestions. They hoped that the region's people of various nationalities will act with one heart and one mind, emancipate their minds, boldly make innovations, overcome the shortcomings with strong points in light of economic characteristics of minority nationality areas, and rapidly develop at an earlier time.

HAINAN HARBOR DEMANDS END TO PORT CONGESTION

HK180257 Haikou Hainan Island Service in Mandarin 0400 GMT 17 Dec 84

[Text] The situation of having cargo pile up at Haikou Port is very serious. This reduces the turnover volume of the port and affects conditions for safe production. Therefore, the harbor administration hopes the departments concerned will consciously implement the regulations on harbor traffic, do well in the work of transporting cargo in the port, and ensure that goods in the port are allocated and transported without hinderance.

Haikou is one of the chief ports on Hainan Island. In the wake of implementing the open-door policy by and the development of the district, more and more ships carrying import and export cargo have come to the island. Originally, there is only limited equipment and space for storage in the port. But the problem has worsened due to various reasons, such as some units not going through formalities. Goods that pile up in the port cannot be promptly loaded on or unloaded from ships. Therefore, the ships wait and cargo piles up at the port for a very long time. Some goods remain standing for several months, and some even as long as 1 to 2 years.

In October and November this year more than 17,000 tons of goods were piled up at the port. Moreover, more than 10 freighters of 1,000-tons each had to wait in port but could not dock to unload their cargo. Consequently, the turnover volume of the port decreased by 19 percent. If we do not promptly settle the issue of having ships held up and goods pile up in the port, we shall inevitably affect the allocation and transportation of goods during New Year's Day and the Spring Festival, thereby disrupting the market. In order to do well in this work, the harbor administration has suggested that all units that handle goods must transport their goods to their storage facilities rather than protractedly occupy storage space in the port. The goods that are piled up at the port must be promptly loaded on or unloaded from ships. Units that import goods from overseas must go through formalities for picking up the goods at an earlier time. Various harbor departments must make concerted efforts and stress efficiency so as to do well in work and to increase the port's turnover volume.

HENAN COMMEMORATES XINHUA SPECIAL ECONOMIC LINE

HK170822 Zhengzhou Henan Provincial Service in Mandarin 2300 GMT 16 Dec 84

[Text] A party was jointly given by the provincial Economic Commission, the Zhengzhou City People's Government, and the XINHUA Henan branch in Zhengzhou on 16 December to mark the expanded publicity for and distribution of the economic information special line and JINGJI CANKAO BAO [ECONOMIC REFERENCE PAPER].

Leading comrades of the provincial CPC Committee Liu Jie, He Zhukang, Zhang Zhigang, Hou Zhiying, Qin Kecai, Yao Minxue, Li Baokuang, Han Jingcao, and Zhang Shude, as well as responsible comrades of the Zhengzhou City CPC Committee and People's Government attended the meeting. Nearly 400 leading comrades of various enterprises, institutions and journalistic units in Zhengzhou attended the meeting.

Comrade Liu Jie delivered a speech at the meeting. He said: Information means resources, wealth, and the foundation for making decisions on economic policies. It is very correct and timely for XINHUA to set up an economic information special line and expand the publicity for and distribution of JINGJI CANKAO BAO. This will greatly promote the province's economic work.

Comrade Liu Jie stressed that the province must go all out to exploit economic information because it concerns the success and failure of the province's economic work. He said: we are holding this meeting today in order to attract people's attention to economic information. I suggest that 16 December be considered as Henan's economic information day, and that a meeting be held every year to promote the development of the province's economic information work. This proposal of Comrade Liu Jie was unanimously approved by all the participating comrades.

(Liu Kuihua), director of the XINHUA Henan branch, briefed the participants on the establishment of the economic information line by XINHUA and the expanded distribution of JINGJI CANKAO BAO.

Qin Kecai, Standing Committee member of the provincial CPC Committee, and (Shen Qiuping), deputy mayor of Zhengzhou, also delivered speeches at the meeting.

SICHUAN URGES TIGHTER CONTROL OF NEWSPAPERS

HK170929 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 16 Dec 84

[Text] According to SICHUAN RIBAO, the provincial CPC Committee Propaganda Department, the provincial CPC Committee Political and Legal Committee, the provincial General Publishing House, and the provincial Cultural Department jointly issued on 14 December a circular urging all localities to strengthen control over small newspapers.

The circular said: Recently, many small newspapers have appeared on the streets of the province's cities. Some of these small newspapers are published and distributed on the approval of the province's departments in charge of publishing work, or their counterparts in other provinces. But there are some which are published by some units, both in the province and from other provinces, without approval. In light of the situation, some of them are run well and can play a proper role in enriching the masses' cultural life. But some are of low taste and are generally sold at a higher price. Some of them are even sold as high as five to six jiao per copy. If we do not strengthen our control over these small newspapers but let them circulate freely, they will erode people's minds, affect the healthy growth of youths, and undermine the building of socialist spiritual civilization.

The circular stipulated: First, without the approval of the provincial CPC Committee Propaganda Department, no unit is allowed to publish a small newspaper for sale. In case of publishing small newspapers in the form of a supplement the newspaper company and magazine company should ask for approval from the provincial CPC Committee Propaganda Department. No publishing or trial publishing is allowed without authorization.

Second, in case approval for publishing a small newspaper has been granted, the editorial department concerned should uphold the usual editorial principles. Under no circumstances should the department be allowed to publish obscene articles in the newspaper or any other restricted material.

Third, all printing and distribution departments at various localities, including the printing factories of newspaper companies; as well as internal printing factories of organs, schools, PLA units-mines, factories, enterprises, and institutions, are prohibited from printing any small newspaper which is published without approval. When reprinting small newspapers which are published in other provinces, the printing company should first ask for approval from the provincial general publishing house.

Fourth, all departments that are responsible for distributing journals, such as post offices and bookstores; as well as all collective and individual bookstores, and individual street peddlers that sell books and newspapers are prohibited from selling small newspapers which are published without authorization.

Fifth, any small newspaper that is published for public sales should be sold at a fixed price upon the approval of the local cultural department. In addition, the price should be printed on the newspaper. Nobody is allowed to arbitrarily hike the price.

SICHUAN'S YANG ON SECOND RECTIFICATION PHASE

HK150251 Chendgu Sichuan Provincial Service in Mandarin 2300 GMT 14 Dec 84

[Excerpts] While inspecting work in Zigong City on 13 December, provincial CPC Committee Secretary Yang Rudai listened to a report given by a responsible comrade of the city CPC Committee on work in the first phase of party rectification units. He then pointed out: The areas and units forming the second phase of rectification must do very well in applying the experiences of the first phase. The first phase has developed healthily; the methods have been good; and outstanding success has been scored.

He said: So long as the units in the second phase do well in applying the experiences of those in the first phase, they will be able to do a good job in rectification, and rectification will be able to stimulate reforms and economic development.

YUNNAN HANDLES CASE OF FACTIONALIST LEADER

HK170947 Kunming YUNNAN RIBAO in Chinese 2 Dec 84 pp 1, 4

[Report: "Comrade Liao Bijun's Mistakes Have Been Investigated and Handled Accordingly"]

[Text] On 24 October 1984, the Yunnan Provincial CPC Committee gave an official written reply to the "Report on the Conclusion of Comrade Liao Bijun's Mistakes and Proposals for Handling the Case" submitted by the CPC Committee of the province's tobacco company, and to comments on the report presented by the Committee for Guiding Party Rectification under the provincial CPC Committee. The official reply pointed out: Liao Bijun committed serious mistakes during the "Cultural Revolution." He not only refused to seriously criticize himself in the exposure-criticism-examination drive, but also rejected the decision made on him by the provincial CPC Committee of going to the Party School to elucidate his problems. Since the 3d Plenary Session of the 11th CPC Central Committee, Comrade Liao Bijun has once again made mistakes on the problem of employing cadres and has sought personal gain by taking advantage of his power and position. His mistakes are very serious in nature. Viewing that he has made self-criticism on his mistakes, he did something good for the party and people in the past, and he has now come up to the age of retirement, the provincial CPC Committee agreed to dismiss Comrade Liao Bijun from his post of CPC Committee secretary of the province's tobacco company and suggested that the provincial People's Government dismiss him from his post as the company's manager. It has been learned that the provincial People's Government decided on 10 November to dismiss Comrade Liao Bijun from his post as manager of the province's tobacco company.

In March this year, party rectification met with obstacles in the province's tobacco company and Comrade Liao Bijun as leader of the company took a very wrong attitude toward party rectification. For this reason the provincial CPC Committee relieved Comrade Liao Bijun of his post as CPC Committee secretary of the province's tobacco company and the provincial People's Government removed him from his post as manager. The provincial CPC Committee also sent a working team to the company to help it carry out party rectification and investigate problems concerning Comrade Liao Bijun. Through efforts over the past 6 months, party rectification in the company has made headway and problems pertaining to Comrade Liao Bijun have been thoroughly investigated.

It has been ascertained that Comrade Liao Bijun committed serious mistakes in the "Cultural Revolution." He was a Standing Committee member of the provincial Coal Supply Bureau and assumed the post of director of the bureau's Political Department before the "Cultural Revolution."

At the beginning of the "Cultural Revolution," he disclosed to rebellious organizations some confidential information related to promotion and transfer of some comrades in a written form of making "self-criticism." He also declared several Standing Committee members of the bureau's CPC Committee as "careerists within the party" and provided rebellious organizations with archival material, alleging 15 leading cadres working at grassroots units as "having serious problems in their history" and "opposing the party," thus subjecting these comrades to persecution. Between July and August 1967, he joined a rebellious organization of the bureau and was appointed to be a member of the Standing Committee of the bureau's Revolutionary Committee. In April 1968 he returned to the provincial Coal Supply Bureau after attending a study class at Xiyama Village, and he reported to rebellious organizations the so-called "right deviationist thinking" and "activities of reversing the verdict" of several leading comrades of the bureau who also attended the study class. As a result, these comrades were immediately taken back to the bureau from the study class and were criticized and denounced at public meetings. At the same time, he also suggested that these comrades be "vigorously pursued and fiercely mauled" and "be further denounced." On 29 July the same year, he proposed to set up a special team for "taking the offensive by the pen and assuming the defensive by the gun" and tendered a namelist of leading members of the team at an enlarged meeting of the bureau Revolutionary Committee. Based on his proposal, the bureau once again set up a team that resorted to violence. When he worked at the provincial Bureau of Seismology in 1976, he still wanted to assign posts to those who committed serious mistakes in the "Cultural Revolution," but he failed to do so due to opposition by other comrades.

After the "gang of four" was smashed, Comrade Liao Bijun took a perfunctory attitude toward the exposure-criticism-examination drive. Responsible comrades of the provincial CPC Committee persuaded him to examine his mistakes made in the "Cultural Revolution," but he only made a few casual remarks. Instead, he suggested to the provincial CPC Committee that two comrades who only made erroneous remarks in the "Cultural Revolution" be temporarily relieved of their posts for self-examination and be criticized by name. In October 1978 the provincial CPC Committee decided to ask him to go to the Party School to elucidate his problems, but he refused.

Since the 3d Plenary Session of the 11th CPC Central Committee, Comrade Liao Bijun once again made mistakes on the problem of employing cadres. In October 1981 when the province's tobacco company reorganized its leading group, he openly wanted to transfer to the company a person who took an active part in persecuting cadres and the masses in the "Cultural Revolution." He twice proposed that the Organization Department of the provincial CPC Committee appoint this person deputy director of the Political Department of the company, but his proposals were rejected. On 14 September 1982 when he chaired a meeting of the company CPC Committee, he used his power and position to appoint this person deputy secretary of the CPC Committee of the No 1 Kunming cured tobacco factory, but the appointment was not made known to the public due to opposition by other committee members. At the same time, Comrade Liao Bijun also managed to transfer to the company a person who committed errors during the "Cultural Revolution" and a person who engaged in factional activities during "Cultural Revolution" and was examined and investigated in the exposure-criticism-examination drive. He intended to appoint them department heads of the company, but he failed because of disapproval of the higher authorities. In addition, he took advantages of his power and position to transfer four of his relatives to units affiliated to the company, making a very bad impression among the masses.

Comrade Liao Bijun also violated financial discipline and retained taxes and profits which ought to have been turned over to the state. In 1983 he personally decided not to report the exact amount of taxes and profits to financial departments and retained a total of 50,883 yuan for other purposes of which, he appropriated 23,569 yuan to offer to workers and staff members as a "food subsidy." Meanwhile, he also illegally exchanged the company's high quality cigarettes for other marketable goods and gained a total profit of 88,987 yuan and shared out 25,311 yuan to workers and staff members.

Commentator's Article

HK171506 Kunming YUNNAN RIBAO in Chinese 2 Dec 84 p 1

[Commentator's article: "Eliminate Factionalism, Carry Out Party Rectification in Depth"]

[Text] This March, party rectification in the province's tobacco company met with obstacles; the situation there was complicated and problems were serious. Under the circumstances, Comrade Liao Bijun, a leader of the company, took a very wrong attitude toward party rectification, obstructing its progress. He failed to shoulder the task of party rectification and could not continue to hold a leading post in the company. For this reason, both the provincial CPC Committee and the provincial government decided to relieve Comrade Liao Bijun of his posts of CPC Committee secretary and manager of the company. Since then the situation in the company has changed and party rectification has made headway. Problems pertaining to Comrade Liao Bijun have been thoroughly investigated. The provincial CPC Committee recently gave an official written reply to the "Report on the Conclusion of Comrade Liao Bijun's Mistakes and Proposals for Handling the Case" submitted by the company CPC Committee, as well as to comments on the report presented by the Committee for Guiding Party Rectification under the provincial CPC Committee, agreeing to remove him from his post as the company CPC Committee secretary and suggesting that the provincial government remove him from his post as the company's manager. The provincial government made a decision accordingly on 10 November. The case of Comrade Liao Bijun has been promptly investigated which is going deeper and deeper.

In the spirit of Circular No 9 issued by the Central Commission for Guiding Party Rectification, and in light of Yunnan's present reality, the provincial CPC Committee recently decided that thorough negation of the "Cultural Revolution" and rebellious organizations of two factions should be taken as a major task in the current party rectification. This is quite correct. The necessity and importance of thoroughly negating the "Cultural Revolution" and rebellious organizations of two factions can be clearly seen in the problems encountered in party rectification of the province's tobacco company and in the case of handling Comrade Liao Bijun's mistakes. Comrade Liao Bijun committed serious mistakes during the "Cultural Revolution." After the smashing of the "gang of four," he did not take the initiative in examining his mistakes; instead he committed new errors. Following the 3d Plenary Session of the 11th CPC Central Committee, he still assigned company posts to those who had committed mistakes during the "Cultural Revolution" and who were investigated in the exposure-criticism-examination drive in regard to their pending problems. He also sought personal gain by taking advantage of his power and position and repeatedly violated financial discipline. These mistakes he committed were serious. After his problems were exposed, he examined his mistakes to a degree, but only very superficially. This was mainly because the "Cultural Revolution" and factional ideas were confusing his mind.

Comrade Liao Bijun had joined a rebellious organization during the "Cultural Revolution" and committed very serious mistakes. What he has said and done in recent years proves that he has yet to truly draw lessons from his mistakes committed during the "Cultural Revolution" and to free himself from the "Cultural Revolution" and factional influences. He has not returned to the stand of party principles. Therefore, his mistakes made since the third plenary session are by no means fortuitous phenomena. Party spirit and factionalism are as incompatible as fire and water. If leading cadres who hold power cannot thoroughly negate the "Cultural Revolution" and cannot free themselves from factionalism, then these powers are certainly merged with factionalism, the net of connections, and evil tendencies, and will create great damage for the party's cause. We can clearly see this from the case of Comrade Liao Bijun. We should keep this lesson firmly in mind and should enhance our consciousness in the study and education of thoroughly negating the "Cultural Revolution" so as to eliminate factionalism and strengthen party spirit. In the current party rectification, we should carry out extensive and in-depth education of negating the "Cultural Revolution" with a focus on negating rebellious organizations of the two factions, according to plans of the provisional CPC Committee. Without thoroughly negating rebellious organizations of the two factions, we can hardly negate the "Cultural Revolution" and factionalism and solve the problem of impurity in the ideology, work style, and organization of our party; still less can we promote economic work by means of party rectification. Carrying out the work successfully will certainly help to eliminate factionalism, clear up misunderstandings between cadres and the masses, strengthen party spirit, and cement unity for the four modernizations.

Comrade Liao Bijun is a veteran comrade; he did something good for the party and people in the past protracted revolutionary struggle and construction, but he committed mistakes during and after the "Cultural Revolution." If comrades like him can correct their wrong stand based on the "Cultural Revolution," clarify their problems in line with the spirit of being responsible for the party and people, draw useful lessons from them, and truly correct their mistakes, they will gain the forgiveness of the party and people. It is reasonable that party organizations handle their cases appropriately according to their performances. Veteran comrades who have committed mistakes should take a serious attitude toward their mistakes. They should treasure their remaining years, release the load on their minds, and return to the correct stand of the party. They should not miss such a chance.

NEI MONGGOL'S BU HE ADDRESSES ECONOMIC REFORM

SK180536 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 17 Dec 84

[Excerpts] In his speech to the recent regional economic and legal system work conference, Bu He, deputy secretary of the regional CPC Committee and chairman of the regional government, pointed out: Strengthening the economic and legal system construction is a matter of great importance in the course of socialist economic development and realization of the four modernizations, as well as a matter of pressing importance given the current extensive development of the overall economic system reform, with a focus on urban areas.

Comrade Bu He said: The reform of the economic structure plays a decisive role in the construction of the legal system governing the economic field and, simultaneously, the construction of the legal system governing the economic field plays a positive role in the reform of the economic structure. Any idea neglecting the construction of the legal system governing the economic field, or regarding it as inessential and immaterial, is not correct in the course of the reform of the economic structure. He said: The key tasks for the current construction of the legal system are to strengthen economic legislation and the construction of the legal system governing the economy. He said: In order to create a new situation in the region's construction of the legal system governing the economic field, we should attend to two key links. One is the economic legislation and the other is adjudication of economic matters.

In his speech, Comrade Bu He stressed: In working out the region's economic legislation, the region must proceed from actual conditions and follow the mass line. While strengthening economic legislation work, we should firmly attend to the establishment of organizations in charge of the legal system governing the economic field and strengthen the construction of judicial work concerning the economic field.

TIANJIN HOLDS FORUM ON ECONOMIC DEVELOPMENT

SK180423 Tianjin City Service in Mandarin 0030 GMT 18 Dec 84

[Text] A forum was held by the municipal CPC Committee on 17 December. Ni Zhifu, secretary of the municipal CPC Committee; Zhang Zaiwang, Li Ruihuan, Wu Zhen, and Tan Shaowen, deputy secretaries of the municipal CPC Committee; and Yan Dakai, member of the Central Advisory Commission, listened to the opinions on the strategic issues on Tianjin economic development made by the Tianjin Municipal Advisory Commission.

Over the past few months, on the basis of conscientiously studying the CPC Central Committee's decision on the reform of the economic structure and conducting investigations and studies, the municipal Advisory Commission gave important opinions on Tianjin Municipality's actual conditions, economic structure, the orientation for industrial development, and the vigorous development of the tertiary industry.

Attending the forum were Zhang Huaisan, chairman of the municipal Advisory Commission; Hao Tianyi and Wang Peiren, vice chairmen of the municipal Advisory Commission; and members of the municipal Advisory Commission. (Liao Douyin), member of the municipal Advisory Commission, expressed opinions on behalf of the municipal Advisory Commission. In accordance with the related issues, leading comrades of the municipal CPC Committee expressed their opinions on Tianjin's current economic work situation and ideas concerning economic development. They fully affirmed the opinions of the municipal Advisory Commission and asked for more opinions in these fields in an effort to work out a blueprint to realize the quadrupling goal set forth at the 12th party congress. Also attending the forum were Yang Jingheng, Standing Committee member of the municipal CPC Committee and director of the Science and Technology Department of the municipal CPC Committee.

JILIN CIRCULAR ON PARTY CADRES IN BUSINESS

SK150535 Changchun Jilin Provincial Service in Mandarin 1030 GMT 14 Dec 84

[Excerpts] In line with the guidelines of the relevant instructions of the general authority, the Jilin Provincial CPC Committee issued a circular on 11 December, calling on the CPC committees and governments at all levels across the province to organize inspection groups to firmly forbid the party and government offices and party and government office cadres to engage in business or run enterprises, to enhance investigations and studies simultaneously, to draw clear demarcation lines in applying a policy, and to properly solve the problems.

The circular noted: Seriously stopping the party and government offices and party and government cadres from engaging in business or running enterprises is a measure that embodies the concerns and love of the party towards cadres, an important measure that ensures smooth progress in the reform of the economic structure, and an important guarantee for correctly implementing the principle of enlivening the domestic economy and opening to the outside world.

The CPC committees and governments at all levels should take a clear-cut stand to firmly stop the existing malpractices. Simultaneous efforts must be made to enhance investigation and study, to make specific analyses in each situation, to draw clear demarcation lines in applying a policy, and to properly solve the problems. We should distinguish the legal practice of advance purchase and sales from raising goods prices to reap staggering profits; distinguish the practice of old comrades offering information to enterprises and gaining reasonable payments from the practice of backstage supporters of enterprises accepting bonuses and bribes; the support of our children and relatives seeking jobs by themselves from instigating them to engage in speculation and profiteering; the practice of party and government offices providing jobs for children of staff members and workers from office cadres seeking private gains by supporting self-employed workers to organize enterprises; and the transporting of goods for sales over long distance in order to enliven circulation from fraudulently purchasing and reselling at a profit goods and materials in short supply and engaging in speculation and profiteering. The independently operated enterprises supported by the party and government offices and party and government cadres are allowed and are encouraged to open businesses as usual.

SHENYANG ADVERTISES FOR PARTY, GOVERNMENT POSTS

HK170810 Beijing SHENMIN RIBAO in Chinese 14 Dec 84 p 1

[Report: "Shenyang City CPC Committee Issues Directive on Recommending Candidates for Leading Posts at City Level"]

[Text] According to a report carried in SHENYANG RIBAO, at a meeting to celebrate the establishment of the "Shenyang City information network for talent," which was held on 7 December, Li Tao [2621 3447], first secretary of the Shenyang City CPC Committee, issued the No 1 "Directive on the Need for Talent" on behalf of the city CPC Committee. The directive requested all the information stations (points) for talent as well as over 2,000 information liaison persons for talent in the city to recommend candidates for the posts of leading cadres of the party and the government of Shenyang City. At the meeting more than 40,000 information cards for talent were distributed on the spot.

This move to seek recommendations for candidates for cadres is aimed mainly at making preparations for the readjustment of the leading organs at the city level at the seventh city congress of party delegates to be held next year.

The directive requires that the candidates to be recommended include those for the posts of: the first secretary, secretaries, and Standing Committee members of the city CPC Committee; the secretary and deputy secretaries of the city Discipline Inspection Commission; the mayor and vice mayors; and the leading cadres of various departments, committees, offices, and bureaus under the direct administration of the city authorities, as well as candidates for persons of the third echelon. The candidates to be recommended should possess the following attributes:

Uphold the four fundamental principles, and conscientiously implement the line, principles, and policies adopted since the 3d Plenary Session of the 11th CPC Central Committee; have a correct attitude with respect to the ideological lines as well as an honest style of work; have a certain ability for organization and leadership as well as a certain level in terms of ideology and policies; and dare to carry out reforms and break new ground. With regard to the present cadres in the leading organs of the city CPC Committee, the city Discipline Inspection Commission, and the city government, those persons over 60 years of age will not be recommended. Persons entering the new leading organs generally should be under 50, and those around 40 and over 30 should be particularly recommended. Persons selected to enter the new leading organs or as members of the third echelon should possess the cultural level of qualifications at the higher education level (including those who have become professional and qualified persons through self-taught methods).

ZHAO HAIFENG ATTENDS QINGHAI CONGRESS WORK FORUM

HK170921 Xining Qinghai Provincial Service in Mandarin 1100 GMT 16 Dec 84

[Excerpts] On 14 December, the provincial work forum on people's congresses concluded in Xining after holding a 4-day session.

The forum chiefly studied the instructions of the CPC Central Committee on strengthening the work of people's congresses. It also reviewed the work of the provincial People's Congress Standing Committee over the past few years, and studied ways to do well in the work of various people's congresses throughout the province in the future, as well as other problems.

Over the past few years, under the leadership of party committees at various levels, the province's people's congresses at various levels have, in connection with the stipulations of the Constitution and the law, carried out tasks of organizing, studying, investigating, and probing new methods simultaneously. It has actively done a lot of work and scored great successes. This helps the province establish local power as well as the two civilizations.

The main achievements are: In connection with the stipulations of the law on local power organization, the people's congresses at various levels have given play to the function of local power and have elected persons to office. The congresses attach great importance to publicizing the Constitution and the law, have carried out the work of legislating local laws, and have heightened the people's understanding of the legal system. The congresses have carried out on schedule elections so as to strengthen the establishment of local power. The congresses also attach great importance to their own establishment and gradually set up offices.

In the course of the forum, Zhao Haifeng, Huang Jingbo, Ma Wanli, Song Lin, and other comrades attended and made speeches. Also present were responsible persons of the province's prefectural, city and county people's congress standing committees; responsible persons of Haifeng Prefectural CPC Committee; and responsible persons of various departments of the provincial People's Congress.

QINGHAI CPC URGES SUBSCRIPTIONS TO ECONOMIC PAPERS

HK170212 Xining Qinghai Provincial Service in Mandarin 1100 GMT 13 Dec 84

[Text] The General Office of the provincial CPC Committee issued a circular on 30 November demanding that party organizations at all levels pay attention to subscribing to economic papers and magazines.

The circular said: In order to continuously upgrade the working level of cadres at all levels, properly carry out reform of the province's economic structure, and speed up economic construction, the provincial CPC Committee demands that party organizations at all levels in the province further establish the common practice of studying and researching the economy. Leading comrades in particular must take the lead in studying and mastering the basic theory of Marxist-Leninist political economy, and the CPC Central Committee's important documents since the 3d Plenary Session of the 11th CPC Central Committee. They must also read with great interest domestic economic papers and magazines to study and master economic information. Leading comrades at all levels must understand the truth that information constitutes a productive force and efficiency under the new situation, and realize the importance of the correct application of information in creating a new situation in economic construction and all work. It is hoped that party and government organs at all levels will subscribe to some economic papers and magazines suited to their work.

The circular also recommended 17 economic papers and magazines, including JINGJI RIBAO to party and government organs at all levels.

XINJIANG LEADERS ATTEND PROGRESSIVES' CONGRESS

HK171348 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 15 Dec 84

[Excerpts] The congress of advanced collectives and advanced individuals to mark the 30th anniversary of the founding of the Xinjiang Production and Construction Corps ceremoniously opened in the Urumqi Heping Theater this morning. When some 1,000 delegates from the south and north of Tian Shan jubilantly arrived at the entrance of the cinema, they were met with the warm welcome of leading comrades of the corps and the work personnel of organs, who were lining the street.

Attending today's congress were leading comrades of the regional party and government, the Urumqi Military Region, the regional CPPCC Committee, the Production and Construction Corps, and Urumqi City, including Wang Enmao, Xiao Quanfu, Tan Shanhe, Tomur Dawamat, Qi Guo, Janabil, Zhang Sixue, Wang Zhenwen, Fu Wen, Li Shoushan, Qi Chengde, Tuerxun Atawula, Saifulayefu, Yang Yiqing, Tuohuti Shabier, Hedeerbai, Yusufu Muhammode, Ismail Yashenof, Li Jingxuan, Chen Shi, Zhao Yuzheng, Xie Gaozhong, Zeng Jifu, Xiaer Xibieke Sidike, Liu Bingzheng, Wen Kexiao, Wang Shoutong, Li Yongyi, Zhao Ganqing, Lin Haiqing, (He Dinglan), (Xu Di), and (Li Tingji).

Wang Zhen, Political Bureau member of the CPC Central Committee, made a long-distance telephone call from Beijing to extend warm greetings to the congress. Tao Zhiyue, the first person to be appointed commander of the Xinjiang Production and Construction Corps and vice chairman of the CPPCC National Committee, and others sent congratulatory letters and messages to the congress.

The congress opened to the majestic national anthem at 1100: [Begin recording] The congress of advanced collectives and advanced individuals to mark the 30th anniversary of the founding of the Xinjiang Production and Construction Corps is now opening. [end recording] After Zhao Ganqing, director of the Political Department of the corps, announced the opening of the congress, dressed in their holiday best and holding fresh flowers in their hands, some 60 Young Pioneers lined up and went to the meeting place to deliver a congratulatory message to the congress. Zhao Yuzheng, secretary of the corps CPC Committee and deputy political commissar of the corps, delivered the opening speech.

Tomur Dawamat, secretary of the regional CPC Committee and chairman of the regional People's Congress Standing Committee, spoke at the congress on behalf of the regional CPC Committee, the regional People's Congress Standing Committee, the regional People's Government, and the regional CPPCC Committee. He said: Over the past 30 years since its founding, the corps has made great contributions toward the great struggle of developing production, making the economy thrive, strengthening the unity of nationalities, building and defending border areas, and consolidating national defense. It has done many good things for people of all nationalities in Xinjiang. People of all nationalities in Xinjiang will never forget this. The regional CPC Committee and the regional People's Government are satisfied with and very happy about the achievements scored by the corps. It is hoped that, inspired by the spirit of the 3d Plenary Session of the 12th CPC Central Committee, leaders at all levels and Army reclamation fighters of the Xinjiang Production and Construction Corps will further eliminate the influence of leftist ideology, will smash the bonds of old concepts and old conventions, will stand in the forefront of reform, and will win a new victory in the course of reform of the economic structure.

On behalf of the Urumqi Military Region, Tan Shanhe, political commissar of the Urumqi Military Region, delivered the congratulatory speech at the congress.

Production Corps Report

HK171350 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 15 Dec 84

[Text] This afternoon, Chen Shi, commander of the Xinjiang Production and Construction Corps, delivered a work report entitled "Carry Forward the Revolutionary Cause, Forge Ahead Into the Future, Carry Out Reform, Advance and Struggle Hard To Quadruple the Output Value in 1985" at the congress of advanced collectives and advanced individuals to mark the 30th anniversary of the founding of the corps.

Comrade Chen Shi's work report is divided into three parts: the first part of the report looks back on the brilliant course that the corps has followed over the past 30 years; the second part of the report sums up the achievements and experiences of the corps in implementing Document No 1 of the central authorities in 1984; the third part of the report puts forward eight aspects of work which the corps must do well in grasping to double the gross industrial and agricultural output value next year.

These eight aspects of work are:

1. We must further conduct investigation and study and must find out about the practical situation to facilitate the guiding of work in 1985.
2. We must resolve the contradiction between land remaining unchanged for over 15 years and the yearly floating of quotas for state procurement so that the party policy on enriching the people can be implemented.
3. We must develop many economic forms and many modes of business to invigorate the economy of the corps.
4. We must reform the system of circulation, must clear the channels of circulation, and must do service work well to promote commodity production.
5. We must vigorously develop a household forestry center to ensure [words indistinct].
6. We must link forestry with animal husbandry to ensure [words indistinct] and the development of both forestry and animal husbandry.
7. We must strengthen economic and technological cooperation with our fraternal nationalities, must assiduously and perseveringly study the languages of our fraternal nationalities, and must build a new bridge to keep close ties with them.
8. We must strengthen ideological and political work and must simultaneously grasp two civilizations.

SUBMARINES TO BE DELIVERED ON SCHEDULE

OW170640 Taipei CHINA POST in English 13 Dec 84 p 12

[Text] The two submarines ordered by the ROC from a Dutch company will be delivered on schedule in 1986 and 1987, Wang Shu-lin a member of the Control Yuan said yesterday. Wang was reporting yesterday on work by the Yuan's Defense Committee over the past year. He said one of the two submarines has been 52.6 percent completed, and construction of the other was also going according to schedule.

He said this nation will be able to obtain the two ships on time since the financial problems or the Dutch Rijn-Schelde-Verolme Shipbuilding Company [RSV] have reportedly been solved.

This nation ordered the two submarines in 1980 at a total cost of US\$500 million. It paid RSV US\$100 million in advance but later reports said the Dutch company was in financial trouble and delivery of the submarines would be delayed.

OFFICIAL INDICATES CRACKDOWN ON COUNTERFEITERS

OW180307 Taipei CNA in English 0235 GMT 18 Dec 84

[Text] Taipei, Dec. 17 (CNA) -- An official with the Government Information Office [GIO] said Monday that the Republic of China is actively participating in international anti-counterfeiting activities, adding that the government is also considering joining the Paris Pact on the Protection of Industrial Property Rights. Wang Chen-tai, section chief of the GIO's Overseas Operations Department made the statements at a seminar on counterfeiting attended by concerned government officials and this nation's foreign friends.

Wang told the gathering that to enable the international community to better understand the ROC's determination in wiping out counterfeiters, the GIO has gathered relevant information for use by its 36 press offices stationed abroad. Meanwhile, the GIO is also coordinating with other government agencies in clearing through all channels available false reports by foreign mass media to the disadvantage of this country, Wang noted.

He also pointed out that as the Republic of China has not yet entered any international organization for the protection of industrial property rights, foreign manufacturers who want their products protected in this country should make registrations with the ROC Government on their trademarks, patents or copyrights.

An official with the Board of Foreign Trade said the number of cases involving counterfeiters being given over 6 months in jail here has increased from 261 in 1982 to 344 last year. He added that the figure rose to 364 as of Dec. 15 of this year, indicating that the Government of the Republic of China is fully determined to crack down on counterfeiters.

PAPER OUTLINES THATCHER'S BEIJING AGENDA

HK180401 Hong Kong SOUTH CHINA MORNING POST in English 18 Dec 84 p 1

[By Timothy Jim]

[Text] Peking, Dec 17 -- The prime minister, Mrs Margaret Thatcher, will receive a red carpet welcome when she arrives in Peking tomorrow to sign the accord on Hong Kong's future. This will be Mrs Thatcher's third visit to China -- twice in her capacity as prime minister and once as leader of the opposition. But this whirlwind trip is definitely the most significant. The Hong Kong agreement will top all other issues on the agenda, according to British Embassy sources. But her negotiations may also touch on broadening Sino-British relations and other international issues.

Solutions are not expected to be found for all the outstanding issues which resulted from the Sino-British agreement on Hong Kong's future, the sources said.

The governor, Sir Edward Youde, arrived in Peking this evening, accompanied by the political advisor, Mr Robin McLaren, and the chief government interpreter, Mr Y.P. Cheng. Also on the plane was shipping magnate Sir Y.K. Pao, who has been invited to witness Wednesday's signing ceremony as a member of a high-powered delegation of civic leaders from Hong Kong.

Sir Edward told reporters at the airport that he was pleased to be a part of an "historic occasion" -- the culmination of "two years of very hard work by a number of people."

Asked if Mrs Thatcher's busy schedule in Peking signified that there are pressing issues to be resolved, Sir Edward said: "This is a ministerial visit, not another round." He said it was natural that Mrs Thatcher would want to see as many people as possible in the time available.

In response to questions about whether Mrs Thatcher will discuss detailed arrangements for the drafting of the basic law and the joint liaison group, which is due to start work in July, Sir Edward said he preferred to leave those answers to Mrs Thatcher and the foreign secretary, Sir Geoffrey Howe.

Mrs Thatcher is expected to meet the four most influential Chinese leaders, including Mr Deng Xiaoping, before she signs, seals and delivers the pact to the world in the Great Hall of the People on Wednesday.

Mr Deng -- who masterminded the protracted negotiations with Britain and who showed a keen personal interest throughout the talks -- is expected to be close at hand when the signing takes place. The actual signing will be carried out by Mrs Thatcher and the Chinese prime minister, Mr Zhao Zhiyang.

Live international TV coverage of the historic event has been arranged.

Kicking off Mrs Thatcher's official activities on Wednesday will be a welcoming ceremony in Tiananmen Square which will feature a 19-gun salute. The British leader will also inspect troops. This will be followed by a session of talks with Mr Zhao.

Lunch with the Chinese president, Mr Li Xiannian, at the Diaoyutai State Guesthouse will be next on the agenda. In the afternoon, Mrs Thatcher is scheduled to meet Mr Hu Yaobang and Mr Deng before proceeding to the signing ceremony.

A state banquet will be held on Wednesday evening to which the 101-member Hong Kong delegation will be invited. Mrs Thatcher has prepared two speeches, to be delivered at the signing ceremony and the banquet. It is understood both speeches deal mainly with the Hong Kong issue. Mr Zhao is also scheduled to speak at the two functions.

Sir Geoffrey and the Chinese foreign minister, Mr Wu Xueqian, who have built up a sound relationship during the course of the Hong Kong negotiations, might meet "briefly and informally," sources said.

NPC GROUP ARRIVES FROM THAILAND WITHOUT YE FEI

HK180359 Hong Kong SOUTH CHINA MORNING POST in English 18 Dec 84 p 18

[Text] Mr Wang Hanbin, one of China's top authorities on Constitution, and Mr Liao Hui, son of the late Mr Liao Chengzhi, arrived last night for a brief visit. Mr Wang is director of the Commission of Legislative Affairs of the Standing Committee of the National People's Congress as well as secretary-general of the Standing Committee. Mr Liao Hui (43) is director of the Overseas Chinese Affairs Office of the State Council. He is the eldest son of Mr Liao Chengzhi, who was director of the Hong Kong and Macao Affairs Office of the State Council when he died in June last year at the age of 75. The two arrived with four other Chinese officials after visiting Burma and Thailand.

They are part of a 12-member team led by Mr Ye Fei, vice-chairman of the NPC Standing Committee, who is also director of the Overseas Chinese Committee of the Standing Committee.

Mr Ye is in a Bangkok hospital suffering fatigue. The other five members are also staying behind in Thailand.

Mr Wang and his party will spend two to three days in Hong Kong and will also visit Shenzhen. "We are just passing through," Mr Wang said, adding they have no plans to meet local government officials. When asked if he would meet people to discuss drafting the basic law, he said: "There is no such arrangement."

Mr Liao Hui, who received primary education in Hong Kong, did not speak to reporters at the airport. He was appointed director of the Overseas Chinese Affairs Office in April, taking over the Overseas Affairs Department which his father held for more than 30 years. The group was greeted at the airport by Mr Li Chuwen, a vice-director of the local branch of the NEW CHINA NEWS AGENCY. The work of Mr Wang's Commission of Legislative Affairs is believed to be related to China's Constitution. His commission is one of the existing groups under the Standing Committee which may be empowered to look into the drafting of the basic law. Mr Wang is Peking's second legal authority to arrive this month. Earlier, a delegation from the Law Institute of the Academy of Social Sciences led by the director of the institute, Mr Wang Shuwen, arrived for a one-month visit.

CAAC UNIT TO OVERSEE REGIONAL AIRCRAFT PURCHASES

HK140427 Hong Kong SOUTH CHINA MORNING POST in English 14 Dec 84 Business News supplement p 1

[By Robert Mayerson in Beijing]

[Text] China's new regional airlines will buy foreign equipment through a single central buying authority, according to the deputy manager of China Aviation Supplies Corp (CASC), Mr Li Daxing.

Mr Li told Business News at the Aviation China Expo '84 fair in Peking yesterday that his agency, a unit of the country's aviation monopoly, the Civil Aviation Administration of China (CAAC), will continue to approve all major purchases from abroad when the national carrier is split into at least four regional operations next year. "It's not possible for each administrative airline to buy equipment on its own...all the regional airlines will go through CASC."

Mr Li added that China has a desperate need for more aircraft and plans to buy seven or eight second-hand planes between March and August next year. CASC is considering some American aircraft which will be taken out of service in the U.S. this year as a result of the tightening of U.S. air pollution regulations. Mr Li gave no details about Chinese plans to buy new short-range airlines for domestic service. The week-long Aviation Expo -- the first of its kind in China -- has been awash with rumours of substantial Chinese aircraft purchases, especially from the two super competitors, Boeing of the U.S. and the European Airbus consortium.

Mr Li's announcement that CASC will continue to act as China's central buying agent for aviation equipment clears some of the confusion which plagued the almost 200 foreign exhibitors at the fair. Many of the participants said they were unsure of which of the estimated 65,000 Chinese visitors to the show were in a position to negotiate actual supply contracts, and of just whose approval would be needed. Mr Li said that after the break-up of CAAC next year, regional airlines will normally arrange their own financing for new aircraft purchases. "If a regional airline wants to buy a type of aircraft, it will make arrangements for negotiations with CASC," he said. "The regional airlines will attend all discussions on buying," he said.

The requirement for CASC approval will only apply to purchases of major equipment, such as aircraft and engines, Mr Li added. Any new airlines to be established in China, he said, must have the approval of CAAC, which will continue in its role as country's government agency supervising aviation. As a result, he said, the first regional airlines to be allowed to operate in China are likely to be the four mentioned by CAAC's director, Mr Shen Tu, when he announced the split last month. They are Air China, the Peking-based international carrier, and regional companies based in Canton, Shanghai and Chengdu in the southwest. Many Chinese cities, provinces and regions, including Shumchun, Xiamen, Wuhan, Guizhou and even Tibet -- have expressed their intention to launch local airlines in the past year. Mr Li declined to say which of the regional airlines will serve Hong Kong. "We first have to negotiate with the Hong Kong departments concerned, and the regional airlines have to get approval from CAAC headquarters," he said.

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